

JPRS-EER-87-068

1 MAY 1987

# East Europe Report



FOREIGN BROADCAST INFORMATION SERVICE

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

1 MAY 1987

## EAST EUROPE REPORT

## CONTENTS

## ECONOMY

## CZECHOSLOVAKIA

- Deputy R&D Commissioner Views 2d Year of 8th Five-Year Plan  
(Vladimir Lexa; INVESTICNI VYSTAVBA, No 1, 1987) ..... 1

## GERMAN DEMOCRATIC REPUBLIC

- Socialist Planning Geared to Accelerated Technological Pace  
(Werner Huebner, et al.; WIRTSCHAFTSWISSENSCHAFT,  
No 12, Dec 86) ..... 9

- Interest in Second-Hand Retail Trade Continues To Grow  
(IWE WIRTSCHAFTSDIENST, No 42, 21 Nov 86) ..... 28

## Briefs

- Reduction in Western Imports 30  
Investigation Into Computer Crime 30

## POLAND

- Food Trade Balance Requires Western Orientation  
(Zdzislaw Badowski; WIES WSPOLCZESNA, No 12, Dec 86) ... 31

- Labor Brigade System Success Stories, Advantages Reported  
(Various sources, various dates) ..... 38

- 'NOT' Honorary Chief Promotes System, by Janusz Tymowski 38  
Brigade at Gliwice Machine Plant, by Marian Twarog 41  
Brigade at Mazovian Shipyard Crane Plant, by Ada Kostrz 43  
Koszalin Plumbing, Wiring Installation Unit,  
by Leslaw Budzisz 46

Article Draws Synthetic Profile of Enterprise Managers (Marek Szymanski; TRYBUNA LUDU, 26 Jan 87) .....	49
Commentary on Reform Efforts, Public Opinion (Various sources, various dates) .....	56
Defense of Public Attitude To Reform Critical Response to Catholic Weekly Article, by Tomasz Szymanski	56 57
Reform Viewed as Much Talk, Little Action, by Stanislaw Kwiatkowski	60

#### YUGOSLAVIA

Trade Union Official Fears Spread of Capitalism by Returnees (Zvonimir Hrabar Interview; DANAS, 27 Jan 87) .....	64
---	----

#### POLITICS

#### POLAND

Decree on Changes in Labor Code Statutes (DZIENNIK USTAW, No 201, 6 Dec 86) .....	69
PRON Discussion Urges Ombudsman Called by Sejm (TRYBUNA LUDU, 15 Jan 87) .....	77
Reader Favors Ombudsman-Public Prosecutor Relationship (Witold Bugajny; TRYBUNA LUDU, 6 Jan 87) .....	79
Changes in Personal I.D. Cards Proposed (Jozef Skweres Interview; RZECZPOSPOLITA, 20 Jan 87) ....	81
Peoples Councils, Territorial Self-Management Issue Reviewed (Milosz Wilanowicz; RZECZPOSPOLITA, 25 Jan 87) .....	83
Public Assessment of Government Efficiency Surveyed (RZECZPOSPOLITA, 6 Jan 87) .....	85
New University, Academic Admission Policies Reviewed (Various sources, various dates) .....	86
Competition for Medical Admissions	86
'Preferential' Admissions Controversy	88
Daily on Reasons for Implementing Changes	89
Doubts Voiced, Further Problems Foreseen, by Janina Paradowska	90
Inconsistencies, Effect on Rural Youth, by Bartosz Glowacki	94
ZSMP Organ Attacks Organ's Basic Premises, by Ewa Mazur	96
PAX Organ Cites Qualified Support, by Janusz Rowicki	99



Medical School PZPR Unit Bemoans Declining Influence (Maria Czesninowa; SLUZBA ZDROWIA, No 2, 11 Jan 87) .....	101
Urban-Rural Value Conflict Studied (TRYBUNA LUDU, 19 Feb 87) .....	105
'Squatter' Incident Reviewed, Examined (Marek Wilczek; GAZETA ROBOTNICZA, 16 Feb 87) .....	107
Sociological Surveys Defended, More Planned (RZECZPOSPOLITA, 20 Feb 87) .....	109
Increased Drinking by Teens, Children Noted (I. Witanska; RZECZPOSPOLITA, 6 Jan 87) .....	112
TV Program Phone-In on Legal Issues (RZECZPOSPOLITA, 26 Jan 87) .....	114

#### SOCIOLOGY

#### POLAND

Changing Attitude Toward Private Wealth (Stanislaw Kondratowicz; ZYCIE WARSZAWY, 20 Feb 87) .....	116
<b>Briefs</b>	
Single-Parent Statistics Noted	118
Alcohol-Related Crimes Listed	118
Church Anti-Alcohol Campaign Noted	119

/9987

## DEPUTY R&amp;D COMMISSIONER VIEWS 2D YEAR OF 8TH FIVE-YEAR PLAN

Prague INVESTICNI VYSTAVBA in Slovak No 1, 1987 pp 3-6

[Article by Dr Eng Vladimír Lexa, candidate of sciences, deputy chairman of the State Commission for Scientific-Technical and Capital Development: "Into the 2d Year of the 8th Five-Year Plan"]

[Text] The year 1986 will enter into the history of our country as the year of the 17th Congress of the CPCZ, which set demanding tasks for the intensive development of socialist society.

The fundamental task involved in improving and stimulating further positive growth of qualitative indicators of the national economy as a whole is the optimum joining of the results of creativity, the scientific-technical potential, and its specific entry into practice--an area in which it is impossible to get by without capital realization, in other words without the work of a large collective of investors, suppliers, designers, and other participants in the investment process.

At the turning point in the first years of the 8th Five-Year Plan we cannot omit a certain balancing view of the shortcomings in this area and a certain valuation of the previous era is called for. This is because in capital construction there exists a certain inevitable momentum and, to change this momentum in the desired direction is a process which, even if we do not like to admit it, has a progressive character and is closely tied with systems measures accepted in the totality of the concepts involved in perfecting the management of the national economy.

In examining scientific and technical progress and its transposition into reality, we become aware that it would be best, from the national viewpoint, to realize the results efficiently through noncapital outputs; however, this only succeeds with respect to a smaller portion of the results of scientific and technical development. This is also attested to by the fact that, for the period of the 8th Five-Year Plan, capital construction work and deliveries, valued at Kcs 895 billion, are being planned, which represents a large part of the national income allocated for the 8th Five-Year Plan.

This is a high degree of investment and yet we find that a "hunger for investments" still persists in all branches of the national economy and that there

continues to be an effort to "fight" for new investments. And the appropriate amount of attention is still not devoted to achieving projected parameters at capacities which have recently become operational. For purposes of illustration, I would list the reasons for failing to achieve design parameters in five federal areas, as can be seen from their own analyses in evaluating the results of the 7th Five-Year Plan pertaining to projects having the character of Binding Projects of the State Plan (ZUSP) (Table 1). These shortcomings have their reasons primarily in the fact that investors:

- a. often proceed in the preparatory documentation stage from inadequately worked out concepts of development and relationships between individual sectors;
- b. lack the necessary depth of knowledge regarding the status and outlook for utilizing their products on the domestic and even the foreign market;
- c. conditions for future production are set on the basis of inadequately worked out and documented proposals on the part of the investor;
- d. in proposing and approving design parameters for new capital projects, investors are motivated by the effort to have their claims for investments recognized, as well as by exaggerating or stating the contribution to be made by the production process in an unrealistic manner.

There are even other reasons. We have also encountered the extraordinarily serious problem which has the planning system inconsistently assuring harmony between design parameters and the tasks set by the state and economic plan.

Table 1. Capacities at Which Design Parameters Were Not Achieved

<u>Causes</u>	<u>FMPE</u>	<u>FMHTS</u>	<u>FMVS</u>	<u>FMEP</u>	<u>FMD</u>	<u>Combined</u>
Shortfall in production (incomplete construction)	1	3	1	2	1	8
Shortage of constructed ZP's [basic enterprises (?)]	6	3	1	--	1	11
Changes in mining and geological conditions	6	--	--	--	--	6
Changes in prices	1	5	--	--	--	6
Lack of assured sales	5	16	8	--	2	31
Lack of assured manpower	1	7	5	1	1	15
Lack of assured material supplies, raw materials, and energy	1	3	--	1	--	5
Changes in the product assortment structure	1	15	17	3	2	38
Increased labor intensity	--	7	1	--	1	9
Problems involving coproduction	--	--	3	--	--	3

Note: Some projects suffer from several causes.

Table 2 shows the results of investments by individual sectors involving capacities which were activated during the 7th Five-Year Plan.

Table 2. Capacities Realized From 1 January 1981 Through 31 December 1985

<u>Indicator</u>	<u>FMPE</u>	<u>FMHTS</u>	<u>FMVS</u>	<u>FMEP</u>	<u>FMD</u>	<u>Combined</u>
Combined	45	91.0	40	11.0	3	190
Including unfamiliar production:						
Combined	18	39.0	30	5.0	3	95
Percent	40	42.8	75	45.5	100	--
Including objectivized production	1	10.0	2	--	--	13
Fulfilling the plan	8	14.0	14	3.0	--	39
Not fulfilling the plan	10	25.0	16	2.0	--	53

For correct orientation, it must be said that numerous capacities, particularly those under the Federal Ministry of Fuels and Energy and the FMD cannot, for objective reasons, be immediately utilized to the full extent. This is, for example, because a capacity is not fully utilized although it is erected to cover the future needs for heating residential settlements which are being planned for construction at a future time, because of the future increase in the transportation plan for materials in some centers, etc.

If we include in our evaluation those binding projects of the state plan which are of a production nature and which were realized by the governments of the CSR and the SSR, then it was determined, for their total number of 262, that the planned volume of production of Kcs 78.1 billion was fulfilled 78.8 per-cent, that is to say, to a value of Kcs 61.5 billion. Through the incomplete realization of these projects, shortfalls in production arose in market inventories (2.1 billion), of deliveries to capital projects (3.7 billion), deliveries to export shipments (400 million), and shortfalls in final assembly and subsequent production (6.4 billion), etc.

During preliminary evaluation of results of the realized capital construction projects in 1986 we are compelled to find persistent shortcomings carried over from previous times. These are mainly the following:

- a. more ZUSP projects lack an assured construction procedure in accordance with worked out processes. By 30 September 1986, there was a total of 15 such projects;
- b. the situation with respect to renewing disputes which were already settled at the level of the central organs consistently persists, which indicates inadequate knowledge, and one could even say authority, on the part of the interested central organs in conjunction with economic production units and producing enterprises;
- c. even though the deadlines for preparation and realization have improved in comparison with the previous time period, there can be no satisfaction with the status of things; in evaluating and control, there is often speculation and, one could say, even false evaluation;



d. fundamental shortcomings in capacity assurance with respect to water purification plans and various sizes of boilers continue to be seen. The situation is all the more unpleasant, considering that many of these facilities are tied to assuring the State Goal-Oriented Program 02 and in their own way are not proceeding with sufficient energy in the supplier and investment sphere to solve the needs to change the structure of the fuel base, such as, for example, replacing heavy heating oil with other types of fuels. In this area, there arises a certain risk with respect to fulfilling the program to lower standard energy intensiveness of the national economy, on which the plan counts (15.5 million tons) by 1990;

e. the state executive plan for 1986 included numerous projects for which preparations were incomplete, which then forces the participants--mostly the investors--to perform undesirable compromises in conjunction with suppliers;

f. we find that modernization projects continue to play a small role--and it will soon be necessary to adopt systems measures which would provide for better utilization of the already established enterprise infrastructure.

A serious shortcoming is the fact that during the last quarter of 1986 it was intended according to the plan to place up to 51.9 percent of the ZUSP projects for the year into trial operation. In terms of time distribution, we must take effective measures this year because the State Planning Commission and the State Commission for Scientific-Technical and Capital Development sets even summary deadlines for construction and central investors then organize their work in this unacceptable way. Let us judge for ourselves--Is it possible to use good organizational methods to master the finishing work in one-fourth of the annual time for more than 50 percent of the projects which are planned to be finished during the year?

The above-listed view shows that finishing work (insulation work, brick mason work, electrician work, measuring and regulation, etc.) is frequently organized in a chaotic manner, we thus "order" poor quality, we pay for inflated overtime hours--in other words, during the first 9 months we frequently waste capacities and then replace them with winter "crash work." And transferring the trial operation of projects to frosty winter days is no solution because, in winter, comprehensive and water tests are a serious problem, not to speak of boiler tests, chemical production tests, etc.

We can also not be satisfied with the considerable degree to which the state plan of investments is exceeded in the areas of agriculture and nutrition, a fact which bears witness to their unjustifiably high surplus of resources available for investments.

It is necessary to use more and more thorough systems approaches to organize the work of design organizations which employ a cumulative total of approximately 85,000 workers in all of Czechoslovakia. The recently established section for design in the State Commission for Scientific-Technical and Capital Development faces demanding tasks, primarily involving the introduction of the automatic system of managing design work, in analyzing the contemporary status of remuneration, and in material incentives in general, in finding new organizational forms in the engineering area, etc.



Understandably, not all problems of the past year can be identified, but that which is indicated shows that we have not everywhere adequately comprehended and brought into life the conclusions of the 17th Congress of the CPCZ and the Program Proclamation of the Government of the CSSR.

Some remarks on the legislative assurance of capital construction.

Our broad public is aware that the amendment of Resolution No 105/1981 of ZBIERKA ZAKONOV, dealing with the documentation of construction projects, has been under preparation for more than 2.5 years. In the last quarter of 1986, it was successfully concluded and it is becoming the fundamental standard for our work as of 1987.

We tried to make a modern regulation which will eliminate more administrative work and we believe that it will substantially speed up the progress of pre-design and design preparation, primarily with respect to realizing state tasks involved in scientific and technical development.

Also, the possible elimination of the investment intention, improvement in output opponency procedures by supplementing them with several documents and by simplifying their procedures with respect to any given planning task, will make it possible to work out one-step designs in numerous variations--in other words it will make it possible to circumvent the introductory design. And these are significant measures which should contribute to shortening investment as well as supplier preparations.

In 1987, new principles, according to which we will conduct our investment projects while changing deadlines for completing construction as well as increasing budgetary expenses for ZUSP projects, will become effective. We anticipate a substantial typing up of the possibilities to gain so-called new deadlines for finishing work, which essentially represents an objectivization of the state plan for the investor as well as for the supplier.

In essence, only the following possibilities exist according to the new principles:

a. either the positive position adopted by state expert opinion can prove that the deferral of the deadline is inevitable for purposes of supplemental application of new equipment (new output of scientific-technical development) with respect to realization of the project; at the same time, by applying this provision, the technical-economic indicators of the project would substantially increase;

b. or, in the event of natural disasters or a significant archeological find, which might cause a delay in deliveries or would otherwise adversely affect the course of the construction project.

The so-called substitute deadline is a very significant measure which can have a serious impact on the investment activity in the category of other construction projects involving the investor who is engaged in the construction project of a ZUSP character. The reason lies in the fact that if an investor causes

the deadline to be missed or if he does not prove that sanctions were applied against the supplier failing to fulfill the terms of the project, he will not obtain permission to initiate "other construction" with the exception of ecological projects or with the exception of SCP projects.

It is with this kind of principle that improvements in investor and supplier responsibility for the preparation and realization of important construction projects is being pursued.

We should all become aware of the fact that the state has an interest in the consistent preparation of decisive projects and that it is, therefore, the prime responsibility of investors and suppliers to do everything necessary to ensure the timely startup of these projects.

According to Resolution No 244/1986 of the Government of Czechoslovakia, significant systems provisions are being prepared in conjunction with perfecting economic management and influencing the reproduction process.

Among others, this regulation calls for "working out regulations which make it possible, in the interest of realizing the results of technical development in production, for organization to elastically interchange material and financial means being expended for technical development and investment purposes" a step which would result in the formation of a so-called "innovation fund" and production enterprises would have expanded opportunities to better utilize their existing infrastructures for the all-round modernization of basic assets.

The State Commission for Scientific-Technical and Capital Development has worked out a basic proposal which anticipates even certain experimental verification in two variants:

- a. in the first variant, the amalgamation of technical development funds with the capital fund into an "innovation fund,"
- b. in the second variant, an amalgamation is also anticipated with resources designated for maintenance, a step which pursues the basic goal of "unifying resources" which have ties to the modernization of the production-technical base.

What must become a basic standard for our joint work is that every major repair project should not be primarily the conservation of the status of equipment at the time of its activation, but that all new things, everything which results in progress, be installed in production equipment during repairs and reconstruction.

Speeding up the innovation cycle should also be helpful with respect to disseminating the understanding of the innovative credit, about which we anticipate that it will be provided for the entire span of innovative proposals involved in highly efficient projects and would not be subject to the approval of superior ministries in the area of investments, as has been the case thus far.

With respect to the above-cited Government Resolution No 244/1986, there are several tasks which will have serious consequences upon the entire approach and management of the investment process and which are currently being intensively worked on by us in collaboration not only with the State Planning Commission, the Federal Finance Ministry, and other central organs.

The attention of the State Commission for Scientific-Technical and Capital Development and the tasks assigned to it by Law No 115/1983 of ZBIERKA ZAKONOV indicate that the Eighth Session of the Central Committee of the CPCZ, which provided the impetus for establishing the State Commission, was not thinking only of perfecting the central management of areas of development in the scientific-technical and capital investment fields, but was primarily also thinking of their effective interconnection.

On the basis of deep analysis, which was performed by the 17th Congress of the CPCZ, it is necessary to effect improvements particularly in the area of the rapid introduction of the results of science and technology into production practices. It would surely be a mistake to believe that each realizational output of the state or economic plan for scientific and technical development requires investments. However, it is true that this is the case in the majority of instances. Prior to deciding whether it is necessary to make investments there must always be a responsible and objective analysis as to whether investments are inevitable and as to whether the goals cannot be achieved through noninvestment development.

Adherence to this procedure must be categorically demanded of managers at all levels of management.

In this connection, the concept of "innovation, innovation cycle" is cropping up in theory as well as in economic practice. Some managers understand this term in an unnecessarily broad context; however, it is undeniable that it primarily means the joining together of scientific-technical development and investment activities.

In judging whether investments are unavoidable in realizing outputs from the scientific-technical plan, we frequently encounter the opinion that "so far, in research, everything was going well, but as soon as investments become involved problems arise." Although a contention formulated in this way is one-sided, we must think about the current status, we must seek and solve the objective and subjective reasons why our falling behind in various areas is caused by the lack of tie-in between scientific and technical development and capital construction which is taking too long to accomplish. From the indicated data it can be seen that the time has truly come for us to work out a methodology capable of evaluating the worked-out research solutions in a synthetic manner via capital construction through to the production stage or to new equipment and capable of evaluating economic and other contributions.

In collaboration with other central organs, the State Commission for Scientific-Technical and Capital Development is currently cooperating intensively in this task. A concept of principles which must be adhered to in solving unified evaluations and which also involves the clarification of some fundamental concepts has been worked out.

We anticipate that this year the working out of this demanding task will be, in part, applied to real situations.

A serious task facing workers in technical developmental sectors of enterprises, economic production units, designers, and the entire apparatus which professionally assures the realization of scientific-technical development through investments involves the conservation primarily of construction capacities--in other words, conservation of accounting costs under heading III. Currently, there exists an extraordinarily large tension, one could even say disproportion, between the "requirements" of individual investor areas and the national committees on one hand and the possibilities at the disposal of the Ministry of Construction Industry on the other hand. Both partners have considerable reserves, but we believe, primarily from the investor side, the priority task at present is a more rational form of management involving the current infrastructure of our enterprises and plants.

During the period of the 7th Five-Year Plan, the share of construction work accounted for by two federal ministries (the Federal Ministry of Fuels and Energy and the Federal Ministry of General Engineering) approached 50 percent, which is an unbearable situation.

The creation of new investments thus cannot be accomplished by increasing the passive component of basic assets--maximum conservation is desirable; this is primarily true in the area of construction deliveries. The design organizations must also play their role by the optimization and rationalization of connections between production and nonproduction projects involving our new capital investments. In analyzing the shift work rate, we see that in some areas it stands at less than one. What does this indicate? Above all, through making less intensive use of machines, they become obsolescent although they are physically in good shape--in other words, they are not written off in terms of products and technologies at a sufficiently rapid pace and, for this reason, become museum pieces after a few years in production and represent--which is bad--older unmodern production technology which accounts primarily for the low quality of the final product. We must change our approach rapidly in this area: as we introduce a higher shift rate, the required capacity is gained on a smaller floor area, production areas devoted to existing infrastructure (electrical and other engineering networks, social facilities, etc.) are liberated and made available to the introduction of new machines and equipment having small shares in passive components of basic assets (in other words, construction work). And here we are interested in the following: in the intensive development having a large share of modern basic assets of an active type.

The demanding goals which were set for us by the conclusions of the 17th Congress of the CPCZ and the serious program proclamations of the Government of Czechoslovakia demand a new innovative nontraditional approach to many traditional problems. Intensive development will not permit any other. We firmly believe that the area of the investment process, which must rationally manage virtually 26 percent of the national income (which is the anticipated volume of investments during the 8th Five-Year Plan), will master the tasks of 1987 in a better manner and with improved quality than has been the case hitherto.

5911

CSO: 2400/209



## SOCIALIST PLANNING GEARED TO ACCELERATED TECHNOLOGICAL PACE

East Berlin WIRTSCHAFTSWISSENSCHAFT in German Vol 34 No 12, Dec 86 PP 1761-77

[Article by the following authors: Werner Huebner, Dr of Economics, certified engineer, born 1938, scientific assistant with the Central Institute for Economics, GDR Academy of Sciences; Prof Wolfgang Marschall, Dr of Economics, qualified lecturer, certified industrial engineer, born 1937, research group director with the same institute; Peter Straehmel, Dr of Economics, certified industrial engineer, born 1940, scientific assistant also with the same institute. Original title of article: "The New Technological Model and Social Progress."]

[Text] The authors recall the task formulated by the 11th SED Congress to accelerate and expand intensive patterns of extended reproduction and put them on a stable basis and discuss ways how to use extensively applied key technologies to attain that object. They illustrate the gradual emergence and progressive application of a new technological model in the process of the scientific and technological revolution, the resulting social effects and the consequent demands on the permanent advancement of socialist production relations.

The present stage of development, which can be understood as a stage of transition from the technological model characteristic of the industrial revolution to that of the scientific and technological revolution, puts particularly high demands on foresighted policies to shape socialist production relations. This is demonstrated by a number of examples.

Primarily discussing aspects of the development of the productive forces, the article highlights the interdependence between productive forces and production relations as basically important for all-out social progress in a socialist society.

In his report to the Central Committee of the German Socialist Unity Party at the 11th party congress of the SED, Erich Honecker has demanded, as the first major point in the economic strategy of our party as we approach the year 2000, that "the advantages of socialism be even more effectively associated with the accomplishments of the scientific-technological revolution, which has itself entered a new stage of development." (1)



With the frenzied development and application of microelectronics, of the information and automation technologies based thereon, and other key technologies, the scientific-technical revolution has reached a stage of development on both the international and the national scale, whose results are achieving basic, even to a certain extent radical changes in the development of productive forces and the way they interact. Simultaneous with the current conditions prevailing in the scientific-technical revolution, we are experiencing comprehensive rejuvenation of technologies and working tools, of consumer goods, as well as of the infrastructure. These developments have primary significance for economic growth and social progress, for comprehensive intensification, as well as increased satisfaction of all workers' needs. Through the dynamic expansion of the field of automated technology and new methods for application, the economic and social boundaries of traditional mechanized mass production are being exceeded. Goal-oriented utilization of the potential for efficiency inherent in modern automated technology is an unavoidable precondition for the continued structuring of the new stage of socialist reproduction and for its comprehensive intensification. The lasting insight of Karl Marx is confirmed in this context: "Economic epochs are not distinguished by what is made, but rather by the working tools used to make things."<sup>(2)</sup> In order to reinforce intensively expanded reproduction on a continuous basis and to lay an enduring foundation for this activity, modern technology in particular requires that the comprehensive utilization of key technologies, as well as their development and application, be made the keystone of planned economic development. In this regard, the directives of the 11th SED Party Congress for the Five Year Plan for the development of the national economy until the year 1990 stipulates the following essential tasks: <sup>(3)</sup>

- Continued goal-oriented build-up of the micro-electronic basis for our national economy in order to create the preconditions for the production and application of extra-large-scale integrated circuits with active component growth rates of over 26%;
- The implementation of 85,000 to 90,000 CAD/CAM work stations with productivity increases up to 500%;
- The production of 160,000 to 170,000 office and personal computers, 1900 to 1950 mini-computers, as well as 660-670 EDP units for implementing complex automation;
- The realization of at least 60 complex automation projects in the metals-processing industry, and an additional 35 in other branches of the national economy;
- The production of 75,000 to 80,000 industrial robots, including 10,000 to 12,000 process-flexible industrial robots;
- A tri-fold increase in production in the bio-engineering sector;
- Allocation of new microcomputer-supported automation equipment for rolling mills and cement factories, for large-scale mining equipment, for chemical installations, and for the reconstruction and new construction of power plants, including nuclear plants. The production of measurement and process control equipment should increase 181 to 183 % by 1990.

- Preparation for the integration of previously independent and new services, such as spoken communication, telecopiers, telex, data and image transmission into a system with great economic side-effects;
- The concentration of important capacities for software production as a basic component in creating solutions to the problems posed by automation, both for manufacturers and consumers.

During the period from now until 1990, these and other measures aimed at the accelerated utilization of key technologies will introduce changes in the material-technical basis on a scale that has not taken place at any time during the development of our country, a process that will extend far beyond the year 2000.

As important and weighty as previous developments have been, in most cases they have nonetheless not been directed at basic, qualitatively more advanced development of the material-technical basis. Only in the most recent past have prerequisites and conditions matured to the point that this transformation process can be introduced and systematically achieved as a matter of principle and according to a plan. In material terms, this trend is supported today primarily by the existing foundation of the microelectronic basis, by modern capacities for information and automation technology, as well as by other key technologies, all of which leads to the further development and wide-scale introduction of a new technological model. When we speak of a new technological model, we would define the term as a technological model generated by the scientific-technical revolution. All its functional elements are based on the latest accomplishments of science and technology, and it is characterized by highly dynamic development. The new technological model permits highly efficient appropriation of nature by human beings, and makes possible the continuous improvement of socialist society and the social-economic relationship between humans and machines. It is automated, programmable, flexibly applicable, and is increasingly penetrating all areas of work in our society and of individual activity.

What is the detailed character of this new technological model? How are the key technologies reflected in the technological system and its primary functional elements? In the end result, is it even at all correct to speak of a new technological model, and what technical characteristics affect the answer to that question?

These and many other questions have been frequently discussed. (4) They evolve out of current developments in production forces. It is necessary to note numerous new momenta in the development of productive force in order to provide a comprehensive and effective connection between the objective advantages of socialism and the accomplishments of the scientific-technical revolution. Science and technology are generating innovations more and more rapidly, which critically affects the economic parameters of production all over the world; how are these innovations to be made effective in practice? How can we combine existing technology, which is proven and yet to some extent outdated, with the new technology, which is more efficient, and yet at the same time untested? How can we unify the continuity and dynamics of the material-technical basis to create the best possible foundation for stable, highly efficient development? And finally, how can the socio-economic goals that are typical of our socialist society be achieved more and more comprehensively through

the use of the new technology? The following study attempts to provide answers to some of these questions regarding social progress and its relationship to technological development

### **Developing a New Technological Model Adequate to Cope with the Scientific-Technological Revolution**

In the past few years, Marxist-Leninist scientists have been conducting an extensive exchange of opinions on the evolution of a new technological model and its influence on the development of productive forces. With the broad action of basic influential trends in the scientific-technological revolution, in particular microelectronics and other basic innovations, this theoretical work takes on increasing practical significance, especially with regard to planned development and the formulation of the necessary production structures, increased efficiency in the material-technical basis, and the mastery of socio-economic progress in our society.

We owe it to Marx's brilliant insight that his materialist, dialectic concept of history places in our hands the key to understanding the past, present, and future of human society. He discovered that in the end result economic conditions are the key, and that they in turn change to conform with the developmental level of productive forces. This gives shape to the methodological starting point for the political, economic analysis and explanation of essential phenomena and effects involved in the current development of productive force, particularly the formation of a new technological model. In the process, it is unavoidable that we analyze the interactive relationships between productive forces and the conditions of production in their historical complexity. Only in this fashion is it possible to explain the fact that modern capitalism possesses significant potential to accelerate very dynamically certain aspects of productive forces in order to improve conditions for capital utilization, to release manpower on a massive scale, to reduce individual and on-going production expenditures, and to exert a lasting effect on international markets and price structures through a broad supply of modern consumer products and production equipment. The way in which monopoly capital has utilized microelectronics is symptomatic of this. The broad development of modern technology for automation, information processing, and a wide variety of modern electronic consumer goods must in essence be characterized as a part of a new technological model. However, the socio-economic environment surrounding the production and implementation of this technology is not at all new in capitalist countries. It exhibits all the essential characteristics of state-monopolistic capitalism, indeed, it intensifies them. The increasing transformation of productive forces into destructive forces, the growing contrasts between a few industrially developed states and the large number of economically underdeveloped, politically dependent states, and not in the least the high rates of unemployment and increasing polarization in the qualification level of the workers are evidence that the development of productive force does not automatically lead to new production conditions. Although the contradictions between productive forces and the conditions of production are sometimes partially resolved in the interest of monopoly capital, it is clear that they are simultaneously recreated in the historically outmoded social system.



This inconsistency, which takes on a non-antagonistic character in Socialism, is methodically overcome in socialist society through the continuous refinement of socialist production conditions. In this way technical development can be carried out in balanced relationship to the entire system of productive forces, particularly with regard to the capabilities of the workers and to science, which, as a direct productive force, continues to develop toward the unevitable foundation of comprehensive, dynamic social progress. In this way, technical development experiences powerful impulses via methodical utilization of the advantages of socialism. With step-by-step technical development, better working and living conditions are established, as well as creating the conditions under which all working people can unfold their full physical and spiritual capabilities. "Socialist production conditions are thus not a passive, external shell surrounding the development of productive forces. Specifically in socialism, they are active forms of development working on productive forces." (5) The logical continuation of the unity of economic and social policy as emphatically reconfirmed at the 11th Party Congress is evidence of how the connection between the advantages of socialism and the accomplishments of the scientific-technical revolution will affect the well-being of all workers. We must constantly rethink the responsibilities that evolve out of this situation for development according to plan, what structural consequences must be implemented, how the workers can even more effectively utilize the important efficiency potential of the new technology, and what inferences can be drawn for the intensification of the international division of labor in the GDR. These are all questions which support the planned refinement of socialist production conditions in connection with the dynamically developing productive forces. The solution to these questions is also the essential condition under which technology as such can unfold unhampered, and the new technological model, as a characteristic of the material-technical basis of developed socialism, can take shape and unfold on a broad scale.

In conceptual terms, technology is for us the material embodiment of the accumulated knowledge of human society in the struggle to exploit the forces of nature, to exert human control over these forces. In the form of working tools, technology represents the decisive objective element in the system of productive forces, which take shape and continue to develop in the course of the division of labor in society, and are represented primarily in production technology and engineering. Society's (and mankind's) ability to make use of recognized natural forces and the characteristics of natural materials for its own purposes and to satisfy needs is objectified in working tools and their technological combination. (6) "They are organs of the human mind created by the human hand; objectified cognitive force." (7) Seen in this light, a new technological model also elicits a new, higher degree of control over nature on the part of human society, for from the standpoint of the development of productive forces, in the conflict between man and nature, it follows that each technological advance implies the progress of mankind in its relationship to nature. Hence control of nature implies not only massive, broad consumption of natural products and natural resources, but rather primarily a qualitatively greater utilization of natural forces and natural laws. This involves primarily the reproduction of natural forces, the reproduction of the overall relationships between man and nature, which includes the conservative, very rational use of natural resources. "Given the decline in the supply of mineral raw materials and in light of the economic consequences associated with this situation, efficient, rational material flow in the national economy takes on increasing importance." (8)

As an essential characteristic of a new quality in the development level of productive forces, a specific technological model is an important determining component for the higher development of the material-technical basis of social production and work, and is at the same time the basis for critical socio-economic changes. Thus on the other hand, technology as understood in Marxist terms is an indicator of social, and in particular, production conditions, so long as there is conformity between production conditions and the character and stage of development of productive forces. A specific method of production corresponds then to a particular technological model. "The working materials are not just a yardstick for the development of human manpower, but also an indicator of the social conditions under which people work." (9) To this extent one can speak in terms of the fact that each technological model is also socio-economically determined, which means that it requires a special quality of production conditions or the development thereof.

The development of productive forces has always produced new and many-faceted forms, types, and supplementary technical components, which supplement or replace human labor in a special way and at a special point in society's production and labor. Or this development makes possible the appropriation of nature for the purpose of satisfying needs in a special way, starting with the hunter's bow to the steam engine to jet aircraft, nuclear reactors, or bio-reactors.

The selection of types of technologies available today is broad--mining, machine-tool, textile, energy, electrical engineering, chemical process technology, transportation and materials transfer technology, flight, communications, and automation technology, and much more. Like all phenomena in nature and society, these types of technology also pass through revolutionary and evolutionary stages of development, progressing from simple to complex forms. They are closely related and intertwined in multifaceted ways. But none of these types of technology in and of it self represents a special technical model, a special social quality that would be typical for a certain stage in the division of labor among human beings or between humans and technology. Only with the massive appearance of certain essential technical elements do we see a situation that is typical for society with relationship to the labor function of the human being in the production process, and thus also the foundation for economic growth and increased efficiency on a new scale.

"Thus the essential new element produced by the scientific-technical revolution is the mechanization of intellectual capabilities, i.e., information technology." (10) Taken in detail, the combination of certain types of technology and technical components can appear in many different forms. But the technological model is characterized by typical, uniform features, which specifically make up the special nature of any given stage in the development of productive forces; they constitute the production conditions that correspond to this stage of development.

With the definition of a special technological model as the central quality in the system of productive forces, we see at the same time the danger of distorting the Marxist-Leninist understanding of those productive forces and their special motive forms, i.e. production conditions. Any mechanical equation of the productive forces with technology or of technology with the working tools is to be feared. Therefore Dietrich and his colleagues speak also



of a special type of productive force and resist the concept of a technological model, because it would inadequately deal with the complexity involved and the human beings caught in the upheaval of productive forces. (11)

Consequently we must specifically stress that the concept of the new technological model can in no way encompass and describe the entirety of the changes in the productive forces and the technical means of consumption, nor should it. Specifically, it describes only the essential, determining, that is the typical, changes in the working tools and consumer goods. The description involves two aspects of the problem:

- First of all, with respect to the rôle and the position of human beings in the technological labor process and or in the social process of production and labor and thus in society, which above all else is redetermined by microelectronic-based information and automation technology;
- Secondly, with respect to the relationship of mankind to nature, to the entire complex of the appropriation of nature, including its scientifically based exploitation and utilization, which are facilitated by key technologies such as bio-engineering, highly refined modern materials, and new processes for generating energy and which will change the entire process of production and reproduction.

Thus the concept "new technological model" is an abstraction of all the concrete forms and characteristics of technology, above all with emphasis on the technical-economic function of technology, its socio-economic essence, its relatedness to society, and the nature in which it appropriates nature. In this sense we may not overlook the fact that the adjective "new" used in defining the concept is meaningful only until the changing technological model has spread to the point where it is transformed from the "social exception" to the "social norm." With the development and spread of the new technological model its characteristics will continue to unfold. In the process, this development will take the form of qualitatively new socio-economic relationships of human beings to technology and to the machine, new kinds of conditions affecting the process whereby mankind appropriates nature, and finally, also new relationships of human beings with each other. The dynamic development of technology, which depends on continuing economic exploitation of new scientific knowledge, will develop into a fundamental basis for dynamic economic growth, a basis for the transition to comprehensive, intensively expanded reproduction.

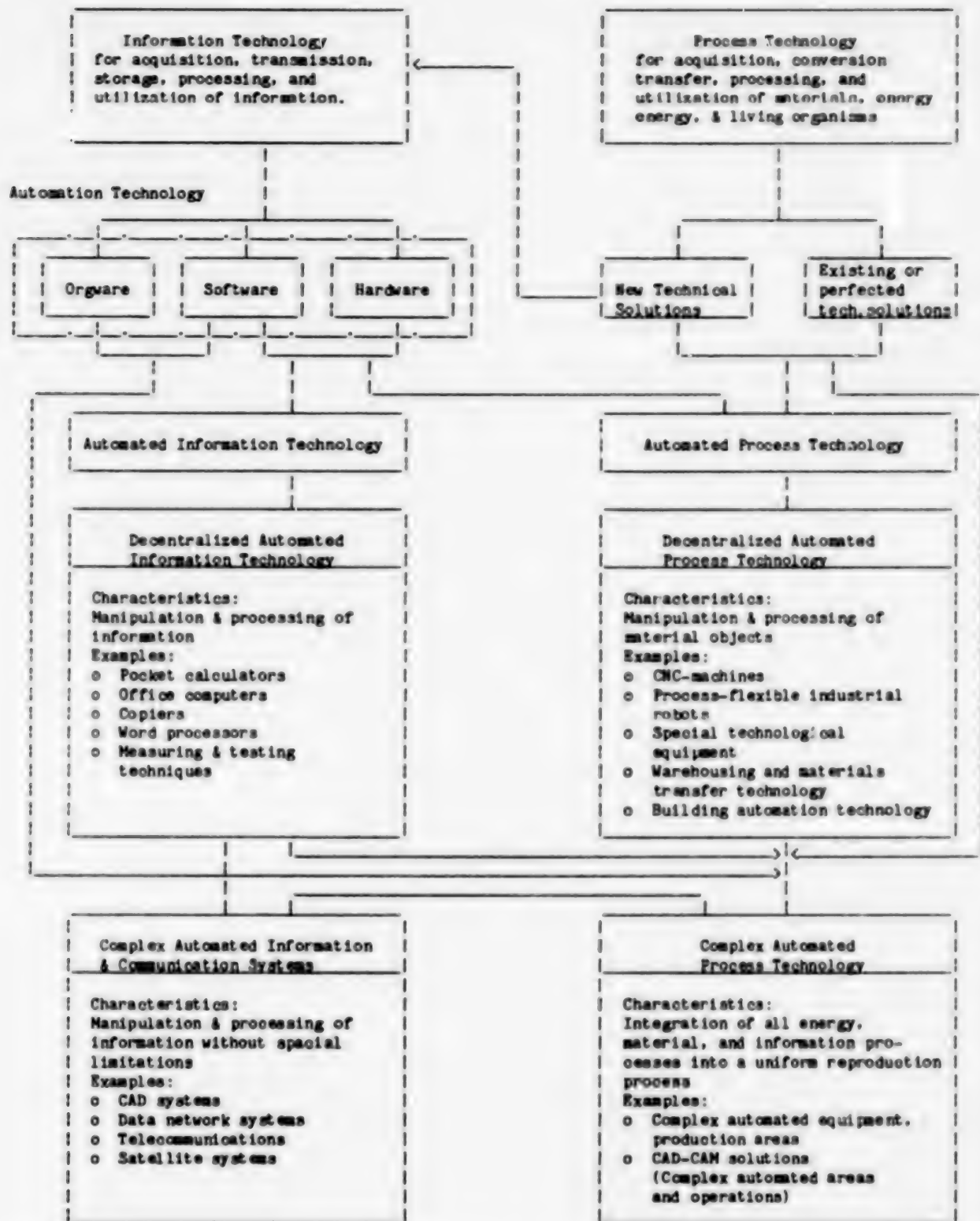


Figure 1: Components and forms of working tools for the new technological model

## **Information Technology and Process Engineering as the Basic Elements of the New Technological Model**

The connection of two basic elements--information technology and process engineering--are characteristic for the machines, instruments, and equipment making up the new technological model (see Illustration 1). The decisive factor for the basic transformation of technology and the higher development stage of productive forces, as well as for the changed rôle and position of human beings in the production and labor process, is modern information technology, based on the use of microelectronics. It is the essential requirement for the automation of the multi-faceted concrete processes of production and labor.

When we speak of information technology we understand it to include all media and equipment for acquisition, transfer, classification, manipulation, processing, utilization, and targeted forwarding of information. In the past it has manifested itself either in its pure form as data-processing or computer systems, for instance in the form of CAD systems, or in combination with a problem-specific process technology (automated, programmable, flexibly applicable production instruments--process-flexible industrial robots and other such equipment. In the 90's we can count on the step-by-step break up of traditional data processing into very flexibly applicable knowledge processing, which will no doubt impell the new technological model to further rapid expansion. As we know, information technology includes both the mechanical components (hardware) and the purely program/data components (software). In complex information technology systems, the introduction of organizational solutions ("orgware") is also important.

The development of information technology as an essential requirement for automation constitutes a long historical process. It extends from the development of technology as a scientific basis for conducting production to the development and spread of communications technology and various forms of analog automation technology. The latter, as the "germ cell" for the new technological model, were subject to narrow limits with respect to the speed, sensitivity, and precision of information processing; thus their massive propagation was also limited. The technical and economic potential of microelectronics provided the basis both for a qualitative change and also for the massive development of modern information technology, and thus for the transition from analog to digital and finally to "intelligent" automation technology. This qualitative breakthrough, particularly the free programmability associated with it, makes it increasingly possible to improve the processing of many-sided, complex algorithms, the control of wider parameter ranges for machines, instruments, and equipment, and their capability for independent process control and self-diagnosis. It also provides the possibility of developing larger, hierarchically structured, complex automation systems.

With the refinement of microelectronics and the introduction of novel, high-performance basic technologies for the production of microelectronic components and modules, important additional technical innovations are also taking place with wide-reaching socio-economic consequences. The transition anticipated in the 90's from "classical" data-processing to automated knowledge processing will not only form the foundation for possible universal application of automation technology with manifold effects on the content and character of

labor. At the same time, it will provide broad room for the development of the process of comprehensive intensification, together with the dynamic development of the material-technical basis. Finally, this stage in the evolution of modern information technology will surely prove to be the decisive step for the universal expression and application of the new technological model.

Already today working tools are experiencing functional expansion as a result of the qualitatively new elements introduced by information and automation technology. Working tools not only serve to implement material processes (transformation of energy and materials), but they also are becoming increasingly suited to take over immaterial, intellectual components of the labor process. It becomes more and more possible to introduce automated working tools even in those areas where technical development could not be conceived, areas that were reserved to direct human activity. This circumstance is of great interest for the implementation of our economic strategy until the year 2000 because it makes important contributions toward continuous deepening of intensively expanded reproduction and toward establishing lasting, reproducible foundations.

Information technology in its "pure" form as an independent working tool, has both a decentralizing effect and also, in complex information and communications systems, a revolutionary influence, above all on the mechanization and automation of intellectual labor. In the form of computers with extensive peripherals, in word-processing systems, CAD systems and other machines and equipment, pure information technology is to a certain extent becoming the "processing technology for the acquisition, transfer, and processing of information" in processes for management, planning, and accounting in the national economy, in fiscal economic processes, in education and health systems, in basic research, but above all in processes up and downstream of production, such as research, development, engineering, sales, and materials acquisition. Specifically this qualitative development leap to the mechanization of intellectual labor particularly clarifies the basic influence that extends from the new technological model, which is based on modern information technology, to the development of productive forces, to the social division and organization of production and labor, and thus to the process of intensification as an expression of growing efficiency. CAD-CAM systems, for instance, represent in an outstanding way the possibility of introducing computer and information technology, both to increase productivity and to enhance the quality, quantity, and reliability of the products of intellectual labor.

The decisions made by the 11th SED Party Congress signify the high status our party assigns specifically to the rapid economic exploitation of this technology. In connection with development already achieved and planned for the period from 1986-1990 with regard to the introduction of CAD-CAM technology, Erich Honecker revealed in his report to the Party Congress: "For the five-year plan, we originally provided for 26,000 to 28,000 CAD-CAM work stations, which has now been increased to 85,000 to 90,000 stations." (12)

Process technology, as the second main component of the new technological model, continues to have first historical and logical priority for the production process, in spite of the increasing importance of information technology. Processing technology encompasses the entirety of all mechanical



equipment for the acquisition, transformation, transmission, processing, and utilization of materials, energies, and living organisms. It is set in motion (automation) using information and automation technology.

It is characteristic for current changes in the material-technical basis and the evolution of the components of the new technological model that information technology is primarily associated with traditional processing technology. Most of the processes still in use today are adapted to manual or mechanized production and originated in this area as well. Because of the possibility for automating working tools, they experience an important innovative thrust, however without essentially changing the technological process. The potential for efficiency inherent in traditional technology is optimized. Frequently revolutionary technological changes also take place, for instance via the flexible automation of short and average-run production, which leads to drastic increase in labor productivity and efficiency. In areas where process technology was already connected with conventional analog automation technology, for instance in the energy sector, and the chemical and metallurgical industries, an evolutionary development with continuous growth in productivity and efficiency has been achieved. Evolutionary technological changes "are applied primarily to existing productive potentials currently in use, contributing to their renewal through modernization and reconstruction."

(13) For the current phase, during which comprehensive intensification must be established on a lasting foundation, these kinds of developments are very meaningful. However, they will hardly lead to revolutionary changes in the productive forces and thus in the development of a broad, profitable efficiency potential in the future. In order to bring these forces to bear, it is necessary for the national economy to utilize the key technologies which will also revolutionize process engineering. The combination of modern information and automation technology with traditional process technologies has not yet led to any broad-spread solution to the contradiction between the requirements of long-term economic growth and increasing dependence on the natural resources that have to be used. This contradiction will not be solved to any great extent, until the exploitation of new and constantly growing technical and economic potentials associated with information technology are connected with technologies designed to conserve resources. In this context both traditional and new technologies (laser, plasma, radiation, and bio-engineering), working tools, and their related material uses will find application. We will be able to guarantee further dynamic economic growth with the available sources of energy and raw materials essentially only to extent to which it is possible to develop and introduce new technologies that generate either few or no by-products. These systems would at the same time contribute to reduced strain on the environment. They would also ensure optimized material characteristics and optimum application of materials, which ought to be implemented with minimum energy requirements. These factors are themselves aimed at the development of new, reproducible sources of energy. The broad introduction of this kind of active modern principles, accompanied by the qualitative transformation of processing technology, forms the foundation for full-scale development of the potential output of microelectronics and other key technologies through the appropriate combination [of factors], giving overall shape to the new technological model.



Further acceleration of the development tempo and the increasing diversification of information and process technology leads simultaneously to the reduction in the length of economic life-cycles, to the increase of yearly production renewal rates, to increased product diversity, and to a clearer definition of equipment character. The evolving character of equipment and facilities is connected with the increasing integration of various technological processing steps, such as primary and auxiliary processes (transfer, storage, handling, supply, and shipping processes) and the technical organizational integration of output from up and downstream areas (design, engineering, quality control, management, and scheduling). Above all, from the standpoint of their effect on productive forces, these revolutionary changes in working tools make an above-average contribution to the development of efficiency (compare Table 1).

**Table 1 The Effectiveness of the Introduction of Numerically Controlled Machine Tools and Systems in Comparison to Conventional Machine Tools (in Percentage)**

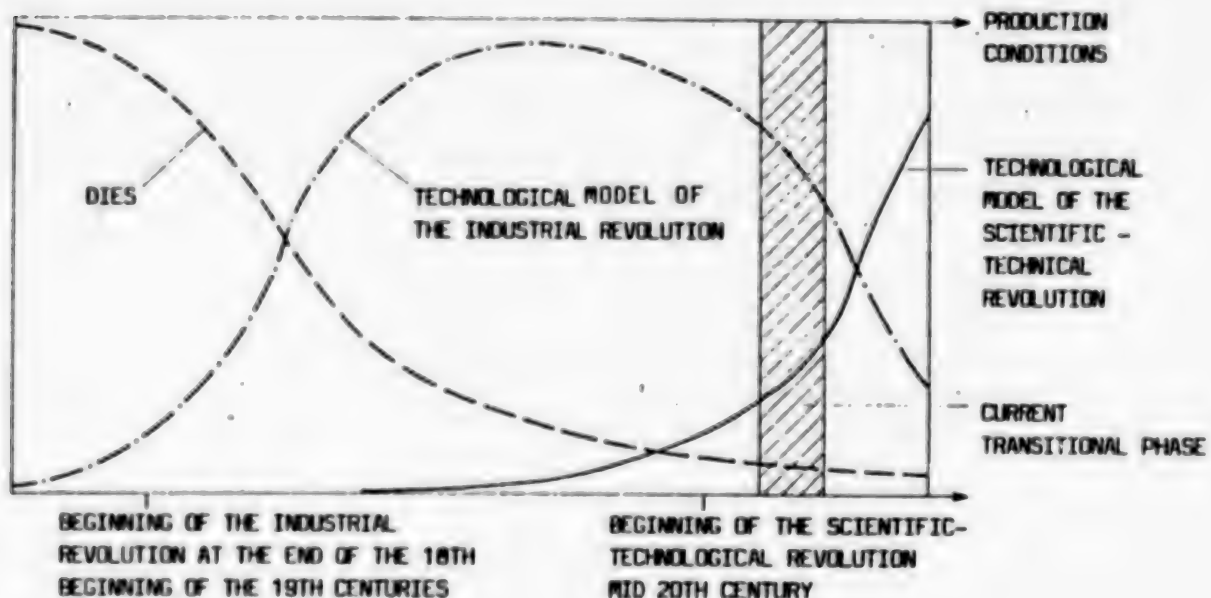
	CNC Mach. Tool	Machin- ing Center	Pro- duction Cell	Flexible Machine System
Increased labor productivity	120	200	250	350
Savings in produc- tion floor space	10	25	30	40
Reduced transit times	10	20	30	60

Source: Compiled according to information from R. Thum and H. Bertheit, "Economic and Social Effects of Flexible Production Automation," IKM, Karl-Marx-Stadt, 1986, p. 41/6 and 41/7.

Complex automated production, as well as information and communications systems, are more and more instrumental in determining the technological level, the productivity, and the efficiency of material production, and the output of many areas of labor in society. We have "begun a development that will continue over the course of the next 10 to 15 years, passing through various stages characterized by ever-increasing factory automation. The low-labor-intensive departments that already exist confirm this prediction." (14)

## The Qualitative Transformation of the Material-Technical Basis via the Transition from the Technological Model of the Industrial Revolution to the Technological Model of the Scientific Technical Revolution

If we look at the long-term trend of changes in the material technical basis, the continuous parallelism of the various technological models becomes clear. The germinative forms of the technology of the industrial revolution took shape already during the pre-industrial period; in like manner, the initial elements of the technological model for the scientific-technical revolution evolved long before its actual beginning around the middle of the 20th century. Since the 60's the technological model of the industrial revolution has been clearly losing significance and historical dimension. Figure 2 shows a simplified illustration of the historical process by which the technological models succeed each other. The historical sequence of the individual periods is recognizable as the curve of the new technology rises and that of the old falls.



**Figure 2. Development and Effective Stages of Working Tools**

It is apparent that residual elements of the historically outmoded period are still functional components of the new one. Under the conditions prevailing in the scientific-technological revolution and in the material-technical basis to which it gives shape, there are still typical forms of technology extant from pre-capitalist and capitalist periods; they are even reproduced. It is characteristic of the current stage of development that we are in a transitional phase from the technological model of the industrial revolution to that of the scientific-technical revolution. This stage is identified by the following features:

First: The technology of the industrial revolution has exceeded its maximum degree of expansion, and that of the scientific-technological revolution is expanding rapidly--in fact it has already passed through a protracted initial phase. There is numerous evidence of this on the international scale. For instance, the number of freely programmable, process-flexible industrial robots has increased worldwide from barely 6000 in 1976 to 38,500 at the present time. It is hardly possible to gain any kind of overview of the worldwide distribution of computer and data-processing technology, and it is constantly increasing with an extraordinarily high growth rate. Some technological components dating from the period of manual labor have achieved minimal distribution as independent working tools and maintain it their status. A qualitative transformation in the manual processes (in tools, materials, and machines used), brought about by the influences of the industrial and scientific-technical revolutions, is characteristic [of this trend].

Secondly: The material-technical basis of the present and of the next few decades will be influenced by the machinery of three historical stages of development. Their quality and quantity will be determined more and more by the technological model of the scientific-technical revolution. In this process, its special concrete forms will influence the technical-economic, organizational, and socio-economic development of our society. In particular broad developing fields will evolve for comprehensive intensification.

Thirdly: In contrast to the level of the leading industrial countries, a slower expansion rate for the essential elements of the new technological model will delay the period of rapid growth within the rational framework, and will lead to lower efficiency, with corresponding consequences for the structuring of socio-economic processes. On the other hand, above-average rapid diffusion can be associated with considerably increased expenditure of financial resources, together with the attendant risk expenditures. Hence, given the high development dynamics of the productive forces involved, it is imperative that each country determine a rational concept for the application of all major trends in their scientific-technical progress and for the introduction of new automated technology, based on further intensification of the socialist international division of labor. In this sense they must take into consideration both the dynamics of the international development of productive forces and the conditions of national reproduction. The complex program of scientific-technical progress for the countries in the CEMA through to the year 2000 and the specific measures to be adopted by each country for its support and supplementation reflect this objective requirement.

Fourthly: The extension of the transitional phase (flat start-up curve) of the new technological model lengthens the economical utilization of the less efficient technological model of the industrial revolution, limits the comprehensive development of the efficiency potential promised by the new technological model, and reduces the increase rate for labor productivity and enhanced economic efficiency in the use of funds. The contribution to comprehensive intensification is not optimized. Nonetheless, the initial outlay of funds invested per time unit and the risk of misdirected developments are decreased.

This transitional situation presents a series of demands for the planned structuring of the social reproduction process. These demands are basically

different from the output requirements associated with the predominant utilization of only one technological model. This is above all a result of the high development dynamics involved and is characterized by the achievement of transition to the new technological model, i.e., to higher forms of reproduction and to more comprehensive, intensively expanded reproduction. In practical terms, this transition can only be reproducibly controlled to the degree that it is scientifically and technically grounded and supported by an adequate material-technical basis. A few selected problem areas should reveal what problems exist during the transitional phase of the new technological model as it passes from its status as a societal exception to the societal norm--the long-term predominance of automated, programmable, flexibly applicable technology:

1. The modernization of available fixed assets will become the primary form of fixed asset fund reproduction. It should be primarily concentrated on the qualitative development of reproduction. "This qualitative side consists of the fact that the new technologies become effective on the basis of the existing fixed asset funds. Hence this means ... that we have to make maximum use of the available substance and make it efficient through modernization, in particular through expansion with modern automation technology using industrial robots." (15)

Modernization of fixed asset funds as a requirement for comprehensive intensification should not in any case be allowed to conserve the old installed technological model for very long. It must gradually change the technological model; there must be a tendency to lead toward complex automation of production, and to support the process of developing an automated technology. The transition from the less efficient working tools of the industrial revolution to the more efficient working tools of the scientific technical revolution will be achieved with the modernization of available fixed assets. This task will be increasingly accomplished in the combines through the development of their own rationalization resources and basic product changes in electrical, electronics, and mechanical engineering. The reproduction of fixed assets funds, and their material transformation into the new technological model has become a central task for the combines. "The efficiency of the combines derives quite decisively from their unified management of all important phases of the reproduction process ... Thus the combines become more and more catalysts for a high dynamic in science and technology and the economic exploitation of the results of this trend." (16) This involves the modernization of existing fixed asset funds and novel kinds of new investments at chosen pressure points in the reproduction process. While doing this, we must be aware of the fact that new investments are primarily required in those areas where new key technologies should be applied in process technology. Bio-engineering and nuclear energy, for instance, cannot as a rule be limited to modernization of the material-technical basis. In most of these cases completely new reactor systems and novel working tools are required; only in exceptional cases can we achieve our goals by modernizing existing facilities.

2. The strengthened development and utilization of the technology of the scientific-technical revolution poses new qualitative demands on the processes of social and sector planning, management, and balancing, without at the same time necessarily always ruling out proven solutions. With the growing complexity of automation solutions, for instance in mechanical engineering, it is



apparent that previous efficiency calculations are no longer adequate to identify the economic effects of customer-demand-oriented solutions to the extent that they are actually achievable. In many cases the benefits achieved by products manufactured in vertically cooperative enterprises do not necessarily derive from the same areas where the highest expenditures are required. Microelectronics, bio-engineering, and other key technologies provide numerous examples of this fact. High research, development, and investment expenditures on the part of component and instrument developers do not realize their full return until the components are used in the final product, for instance for the automation of a production complex. Thus the expense-benefit calculation should be less and less oriented to the reproduction process of just one combine or enterprise, but rather must include the distribution of labor for the organized reproduction process in its full complexity. The effect realized is always the decisive factor. It is the result of performance throughout the total cycle from research and development to production and finally to sales. Therefore the important factor is to establish the kind of criteria needed for evaluating the performance of all the partners involved. On the one hand, these factors must do the best possible job of reflecting the real performance component and at the same time guarantee that the maximum overall effect is actually achieved. In light of the very dynamic development of productive forces, the rapidly changing relationships between expenditure and value, and the growing importance of production preparation, as well as the introduction of modern products, this task must again and again be reassigned and solved anew. It is particularly important that the specific performance of each combine, each enterprise, even each individual worker be assessed and evaluated. The problems inherent in evaluating performance, in efficiency rating, and with them, the fundamental factors involved in planning, balancing, and accounting all possess qualitatively new momenta; these momenta must be met with correspondingly appropriate fiscal instruments, without complicating or bloating the entire system of management, planning, and balancing to an indefensible extent. Automated information processing and the inclusion of management and planning questions in complex CAD-CAM systems will create manifold possibilities for better and better mastery of complicated problems in a rational way.

3. The requirements made on the training level of workers at all qualification levels do not merely undergo a linear increment, but rather exhibit a series of essentially new characteristics. It is already imperative today for school pupils, students, apprentices, and those who are already practicing their occupations "to be provided with the groundwork for an elementary understanding of computer science and information processing technology and to introduce them to the problems involved in information science, automation, and direct work with computers; this training can take place in businesses, in polytechnical centers, and in production facilities in cooperation with career training programs and scientific institutions." 17

One could examine new relationships between science and production, and between production and sales, new aspects of the international distribution of labor, the growing rôle of the time factor, or other factors, but these three examples provide evidence for the fundamentally novel questions posed by the introduction and spread of the new technological model and the essential transformation of the material-technical basis. It becomes obvious how the

material-technical transformation process has unleashed deep-reaching social effects and how it forms the material foundation for the process. The scientific-technical revolution, whose central process involves the successful implementation of a new technological model adequate to cope with this new system, has proven itself to be closely connected to the processes of social progress.. Continued planned structuring of socialist production relationships is the decisive condition for any effective dynamic development of productive forces in the interest of strengthening socialism. The decisions made at the 11th SED Party Congress provide visible proof of how the leadership of the party of the working class has achieved agreement between the development of productive force and continued structuring of production conditions. The combines in particular are developing a highly improved, very dynamic, adapted basis for efficient economic development and the application of key technologies.

Mature socialist production conditions, well-developed central state planning, capable combines, a modern, dynamically developed system of management, planning, and economic stimulation provide the social framework in which essential changes in the material-technical basis can take place. Even if up until now the new technology has only been effectively applied on a spotty basis, or if it takes years yet before the new technological model becomes the dominant force shaping the material-technical basis, the robots, CAD-CAM systems, and complex automated production lines being introduced today are important steps in the revolutionary restructuring of the material-technical basis, aimed at combining the accomplishments of the scientific-technological revolution with the advantages of socialism. Progress in productive forces does not, however, automatically lead to social progress. Any misdirected concept for the development of productive forces--for instance spotty, isolated introduction of the latest technology--would leave its potential for efficiency unutilized to a great extent. Experience shows that it is always necessary to introduce technology with sufficient concentration and to conceptualize the technological system in such a way, that it can be expanded. It must be possible to restructure the technological environment, the workers must be appropriately qualified, and they must be correctly stimulated in the interest of intensive utilization of the new technology. Only this kind of complex approach to the introduction of the new technological model will guarantee that the important potential for efficiency can take effect on a comprehensive scale, and that the progress of productive force will be linked with the development of socialist production conditions, to become the foundation for stable economic and social progress.

## ENDNOTES

- 1 "Report of the Central Committee of the German Socialist Unity Party at the 11th SED Party Congress," Presentor: Erich Honecker, Dietz Publishing House, Berlin 1986, p 49.
- 2 K. Marx and F. Engels, Works, Dietz Publishing House, Berlin 1956ff, Vol 23, p 194f.
- 3 See "Directive of the SED 11th Party Congress for the Five Year Plan for the Development of the National Economy of the GDR in the Years from 1986-1990," Dietz Publishing House, Berlin 1986, p 48 ff.
- 4 See H. Nick, "The Scientific-Technological Revolution--Changes in the Technological Model and the Social Organization of Production and Labor," Wirtschaftswissenschaft, No 9/1986, p 1303ff.
- 5 G. Schulz, "Refining Socialist Production Relationships as a Precondition for the Dynamic Development of Modern Productive Forces," Wirtschaftswissenschaft, No 9/1986, p 1291.
- 6 Technology and the new technological model is itself only represented in the form of working tools. However, adequate new subjects of labor are developing in close relationship with technology, and these new processing materials are changing the development of technology and production structures.
- 7 K. Marx, "Outlines for a Criticism of Political Economics," Dietz Publishing House, Berlin 1953, p 594.
- 8 E. Grabe and D. Graichen, "The Tasks of the Combines for the Development and Continued Refinement of Materials Management Systems," Wirtschaftswissenschaft, No 5/1986 p 660.
- 9 K. Marx and F. Engels, Works, op.cit. p 195.
- 10 H. Nick, "Human Beings--the Animating Fire of Production," Einheit, No 10/1985, p 908.
- 11 See D. Dietrich, Human Beings and Technology, VEB German Publishing House for the Sciences, Berlin 1980, p 111ff and p 135; G. Stier, The Scientific Labor Process, VEB German Publishing House for the Sciences, Berlin 1978, p 182.
- 12 "Report of the Central Committee of the German Socialist Unity Party at the 11th SED Party Congress," op.cit. p 29.
- 13 W. Heinrich and K. Steinitz, "Innovations, the Development of Productive Forces, and Comprehensive Intensification," Wirtschaftswissenschaft, No 1/1986, p 9.
- 14 "Report of the Central Committee of the German Socialist Unity Party at the 11th SED Party Congress," op.cit. p 28.

- 15 G. Mittag, "Qualitative New Steps toward Maximum Performance," Seminar of the Central Committee of the SED with the General Directors of the Combines and the Party Organizers of the Central Committee on 13 and 14 March 1986 in Leipzig, Dietz Publishing House, Berlin 1986, p 67f.
- 16 "Report of the Central Committee of the German Socialist Unity Party at the 11th SED Party Congress," op.cit. p 44f.

13127

CS0:2300/197



## INTEREST IN SECOND-HAND RETAIL TRADE CONTINUES TO GROW

Bonn IWE WIRTSCHAFTSDIENST in German Vol 27 No 42, 21 Nov 86 p 1

[Article: "Second-Hand Retail Trade Flourishing in the GDR"]

[Text] A turnover in excess of M 700 million in 1986--Demands in part exceed supplies--The network of sales outlets is being expanded.

Second-hand retail trade is blossoming remarkably in the GDR right now. The East Berlin Ministry for Trade & Supply expects turnover to climb above M 700 million this year, against M 617 million in 1985. In 1976 it had come to M 75 million; a circa tenfold increase within 10 years.

Not until the end of the 1970's did the GDR discover second-hand retail trade. An order was issued in 1978 on buying and selling used consumer goods. It charged the bezirk and kreis councils to promote second-hand retail trade and set up a network of stores for the purpose. The reason for the state's entry into it: "Reserves" were to be tapped for improving public supplies; along with it, they were thinking also of the weak-income population groups. The planners were also promising themselves a positive impact on the economy in view of the tense raw material and resources situation.

The above average growth rates since 1980, however, they had hardly counted on. They lie annually between 20 and 30 percent; and one may assume that this turnover trend continues. The demand for second-hand goods continues unabated. Wanted especially are technical consumer goods, which make up nearly half of the sales. For instance, the demand for electric household appliances and sound equipment outpaces the supply. Fashions also are much wanted. There are problems with the selling and purchasing of furniture because there is a shortage in display and storage areas and there also are transportation difficulties.

By the end of September the GDR had 766 special sales outlets for buying and selling (called A&V for short in the GDR) and 930 specialized stores which also trade second-hand merchandise. The network of these stores is meant to be further expanded because of the great demands. Trading conditions also are to be improved, and business hours are to be extended.

East Berlin is a stronghold in the A&V business. There, the second-hand retail trade came to circa M 77 million in 1985. Statistically speaking, each East Berliner traded an average of M 65 of it, while the GDR average as such came to only M 37. For 1986, the East Berlin trade functionaries expect a business in excess of M 100 million. East Berlin has at present 48 A&V stores and 22 specialized stores that also trade second-hand merchandise. The network of such stores is also to be expanded in East Berlin. The new boroughs will also get their A&V stores.

5885

CSO: 2300/252

## BRIEFS

**REDUCTION IN WESTERN IMPORTS**--In the view of GDR economists, the GDR has to curb Western imports further to secure the trade surplus it achieved in recent years. Enterprises should have to make arrangements to reduce or replace imports, as the science journal of the Martin Luther University of Halle-Wittenberg put it. "Import substitution concepts" should avert political and economic dependencies and needless economic burdens. It is to be seen in this context, according to that journal, whether such import substitution is possible on account of more of a domestic production of the commodities in question or other substitution measures, or through more cooperation with the socialist countries. It would of course be important to prove the economic effects of import substitution through comparing savings with extra expenditures. For enterprises that need imports for making export commodities the journal deems it advisable to prove the foreign exchange profitability. Foreign exchange profitability meant that more foreign exchange was taken in than spent on importing materials, raw materials, and semifabricates. [Text] [Bonn IWE WIRTSCHAFTSDIENST in German Vol 27 No 45, 12 Dec 86 p 2] 5885

**INVESTIGATION INTO COMPUTER CRIME**--The first cases of computer crime have been reported in the GDR, according to the WISSENSCHAFTLICHE ZEITSCHRIFT of Karl Marx University in Leipzig. Among other things, that journal referred in this context to the unauthorized alteration of data, "even if to a limited extent." There had also been cases of the destruction and unauthorized use of enterprise-owned data, mostly on egoistic grounds. "New forms of anti-social and socially hazardous conduct" were evolving against the socialist planned economy that deeply affected the overall economic process and caused perceptibly negative effects, through the element of seeking personal advantages, notably in economic management. The journal therefore recommends including computer crime under the section of "crimes against the economy" in the penal code. Criminal cases were to be dealt with in general in such a way that new social developments were to be protected more effectively against crime. That concerned, e.g., harm done to the economy not explicitly contained in the current version on operating means of production in violation of generally known and recognized scientific-technical data and operating provisions, which then causes large-scale economic damage. Things were muchlike it in hazardous social conduct such as economic corruption and speculation. One should also consider whether or not to write into the penal code the penal provisions of the atomic energy law, the pharmaceutical law, the radiation protection decree, and other law regulations. [Text] [Bonn IWE WIRTSCHAFTSDIENST in German Vol 27 No 45, 12 Dec 86 pp 1-2] 5885

## FOOD TRADE BALANCE REQUIRES WESTERN ORIENTATION

Warsaw WIES WSPOLCZESNA in Polish No 12 (358), Dec 86 pp 73-80

[Article by Zdzislaw Badowski: "Conditions for Achieving a Surplus in Foreign Trade of Food Products"]

[Text] External Conditions of the Trade Balance

Terms of trade. These are defined by the relationship between the prices of the products exported to those imported. The terms of trade have generally been unfavorable during the past 15 years; in other words the food products we exported became relatively cheaper and those we imported relatively more expensive (this applies especially to the second payments area). There are multiple reasons for this situation. The structure of trade was significant as was the method of convertible currency accounting. We purchase about 70 percent of our imports for dollars from the second payments areas; while only about 40 percent of our exports are sold for dollars. In this situation depreciation of the West European currencies or a rise in the value of the dollar reduces the terms of trade and conversely. Recently, the non-dollar currencies have been appreciating, so given their large place in our agricultural export income, we should count on an improvement in the terms of trade in dollars. Export prices for unprocessed food products have fallen 14 percent from those of 1984; prices for processed products, 4.2 percent. Prices for imported unprocessed food products have increased by 5.6 percent, and prices of processed products have fallen by 3.4 percent (or more slowly than for exports). (1) This means that given the current terms of trade on world markets, that the structure of agricultural trade is unfavorable. Beginning in 1973 the relationship between the prices for animal products and prices for grains and feed have worsened. Imports of grain and feeds constitute 60 percent of our agricultural imports, and animal products constitute 50 percent of our exports. Western exports have made up the losses for the unfavorable "meat-feed" price relationship with improved breeding productivity. This has not happened in Poland, as the decline of the effectiveness of exports of animal products shows.

The extremely unfavorable terms of trade (81.4) for agricultural products in 1985 was further complicated by the decline in the price for rape seed. It has turned out that the appreciation of the non-dollar currencies in the past year has not been able to make up for the unfavorable trade structure and the



decline in the prices of our export products. The best demonstration of the unfavorable world price trends is that the size of agricultural exports rose 100 percent in 1981-85 but the income in dollars rose only 43 percent. (2)

Only exports based on production specialization and appropriate constant supply can ensure a constant increase in convertible currency income and favorable sales prices. These conditions are not present in Poland except for fruits and vegetables. Even for such basic commodities on world markets as potatoes, rye, sugar, and rape, we have not succeeded in developing export specialization. The supply of these products for exports is very unstable making the prices and convertible currency income not only variable but also lower than possible.

Analyzing the changes in export prices over the last 15 years, one can state that at the beginning (1971-75) they rose rapidly, then (1976-80) they rose more slowly, and finally (1981-85) they declined. In the 1970's the rate of change in export prices for our agricultural products (expressed in dollars) was as follows: (in parentheses the rate of price changes from commodity exchanges or from UN data, in percent)

Goods	1971-75	1976-80
Processed meats	18.6(16.5)	6.6(10.4)
Pork	17.0(18.4)	5.8 (7.5)
Bacon	19.8(16.3)	0.1 (2.4)
Beef	15.2(13.4)	9.6 (5.6)
Poultry	13.6(17.4)	13.9 (8.0)
Sugar (1971-80)	21.4(25.1)	
Rape seed oil	14.5(16.1)	0.0 (1.3)

Source: My own calculations based on information from the foreign trade enterprises and other publications.

In 1981-85 the prices for bacon, beef, sugar, and poultry declined. Prices for processed meats and rape oil remained fairly constant.

Sales Opportunities. Foreign demand for some Polish products has declined (for example, for heavy cattle and fattening cattle), but it has declined for most products. Rye exports could be 500,000 tons or more annually given stable shipments to the USSR, the GDR, and countries in the second payments area. But until recently we did not export rye, but imported it (for example in 1980-82 approximately 240,000 tons were imported on the average).

At the beginning of the 1970's we exported up to 150,000 tons of malting barley annually. Since the second half of the 1970's we have exported none. We could sell 300,000 to 350,000 tons of sugar annually, given equal distribution over the course of the year. In the 1970's sugar was exported but unequally. For many years (to 1983) were unable to exploit export opportunities for rape and oil. Recently these products have been exported in large quantities, but due to the high erucic acid content the price has fallen. In spite of work and predictions the rape quality has improved only slowly. Exports of edible potatoes could be increased given supplies of one

variety, improved storage, and improvements in transportation and handling (in ports and stations).

We are also incapable of exploiting the existing sales opportunities for animal products. We could export 15,000 to 20,000 tons more of hams and shoulders than at present and 10,000 tons of canned meats and sausages. Foreign demand for mutton also exceeds our supplies. We could sell more slaughter horses and horse meat and calves and the best quality meats. Despite the premises in the "Program for Developing Agriculture and the Food Industry" that meat exports would be 210,000 tons in 1985, the needed increase of the export food industry's operations did not occur. Moreover, given the instability of the domestic market, the exports had to be quantitatively compensated for with imports (see Table 1). Only in 1985 did the supply of meat and meat products for export noticeably increase.

Table 1. Meat Exports and Imports in 1980-85 (in thousand tons of carcass weight)

	1980	1981	1982	1983	1984	1985
Exports	251	133	123	159	154	150
Imports	60	262	138	57	141	40
Balance	+211	-129	-15	+102	+13	+113

Source: My own calculations based on the standards of the Planning Commission of the Council of Ministers and the statistical annuals of foreign trade.

**Needed Changes in Imports.** Changes in the structure of imports have enormous influence on the balance of foreign trade. The needed changes should include a systematic reduction in purchases of products that could be produced in Poland and an increase of purchases of those that cannot be grown in our climate. Including these changes, we should import about 2 million tons of high-protein raw materials for producing feed, 900,000 tons of hard wheat, 800,000 tons of corn, 100,000 to 150,000 tons of sweet oils, 100,000 tons of rice, at least 30,000 tons of coffee beans, cocoa, and tea, 300,000 tons of citrus, 80,000 tons of bananas, 10,000 tons of tobacco, and various natural root spices. (3) Among others, we should reduce purchases of wheat, and stop purchasing barley, meat, animal fats (lard and butter), cheeses, potato flour, tomato concentrate, etc. These products should be imported only sporadically, for example after a bad harvest. There are significant opportunities for self-sufficiency through an anti-import production policy. The proposed changes would favorably influence the state budget and market stability.

#### Conditions for Achieving a Positive Balance

A balance of trade can be achieved only if food production is actually or apparently self-sufficient. Actual self-sufficiency means ensuring society the appropriate level of consumption including stability on the domestic market. A positive balance of trade can be systematically maintained in this case and can be treated as a permanent element in the state's solvency. Apparent self-sufficiency occurs when society's food needs are met in full, but the food supply and demand are not equal. A positive balance of trade in this case cannot be systematic and constitute a permanent element in the

state's solvency. It should also be noted that balancing exports and imports and achieving food self-sufficiency is possible for both low and high levels of trade. Certainly the latter level is more favorable for agriculture and for the entire national economy than the first. For example, the higher the imports of high-protein raw materials and feed grains, the higher efficiency of feeding and the greater the supply of meat both for the domestic and foreign markets.

In the near future Poland will be able to achieve a balance of foreign trade in agricultural and food products and food self-sufficiency. The self-sufficiency will, however, be apparent and not provide for complete equality of supply and demand of food products, especially animal products. Trade will also remain at a low level, and the possible convertible currency surplus will be neither great nor permanent. We must strive for another variation of self-sufficiency that will achieve high systematic convertible currency surpluses and high levels of trade (producing sizeable benefits in foreign trade) and equal supply and demand on the domestic market. Implementing this variation is, however, difficult and demands energetic, comprehensive action.

As is known, Polish foreign trade, including agricultural trade, is conducted largely in non-convertible currencies. On the average, over long periods, the proportion of non-convertible currencies to convertible currencies in Polish agricultural exports is 20:80. In this situation a balance of trade in zloty does not mean there is a balance of trade with the individual payments areas, and this was the case in 1985. We had a positive balance of trade in agricultural products with the socialist countries, but the balance of trade with the capitalist countries was negative. But only the latter markets allow us to purchase the agricultural products we need in unlimited quantities (for convertible currencies we can also purchase them in socialist countries).

Our economy's major task then is to achieve at least a balance of trade in agricultural products with the capitalist countries. Obviously, if earning the required quantity of convertible currency with exports to socialist countries is possible, then it would not be so critical to achieve a positive balance of trade with the second payments area.

As is known, the Soviet Union is a large importer of beef, which it is increasingly difficult for Poland to sell in Western Europe. Payments in convertible currency for deficit agricultural products among the socialist countries (for example, grain, feeds, and meat) would significantly facilitate trade in agricultural products and achieving a balance of payments.

It is hard to believe that payments for food could apply to only one of the partners. Poland is only one of the socialist countries that bases exports of meat on imports of feeds that can, practically speaking, only be purchased in the capitalist countries for convertible currency. The other socialist countries, especially Hungary and Bulgaria, produce meat for export using domestic feed sources.

In Poland's case due to the high consumption of export production of animal products, the sales of animal products for convertible currency is a prerequisite for achieving a positive balance of agricultural trade. Exports

of a significant portion of our plant products should also be for convertible currency because that would facilitate the import of various agricultural products not available in the socialist countries.

#### Conditions for Structural and Institutional Improvements

The external conditions for trade in food are those over which we have no control. We have little influence on prices and none on the operation of the international market.

In this situation specializing in agriculture in foreign trade is a risky venture.

Given the usefulness and need for agricultural imports, we must achieve at least convertible currency self-sufficiency. We cannot continue the economic policy of the 1970's, when the negative food balance of trade was financed either by positive balances in non-agricultural products or credits.

The size and stability of the convertible currency surplus over the short term depend on the volume of trade, the nutrition standards of the people, and the balance of the supply and demand on the domestic food market. The higher the volume of trade and the lower the nutrition standards, and the worse the domestic market conditions, the greater the opportunities for achieving a positive balance and the lower the chance of making it stable.

Achieving a large, stable convertible currency surplus depends on increasing the role of the food economy in the national economy, and thus on an increase in agricultural production and the supply of exportable products. Achieving this goal, however, requires structural and institutional changes.

Changes of the first type should occur in:

- a) the economic structures and the type of economic development,
- b) the structure of production and foreign trade in agricultural products,
- c) the geographical structure of foreign trade.

Changes of the second type should include:

- d) the method for managing agricultural trade,
- e) the establishing of a so-called green exchange rate (for agricultural products) and other parameters,
- f) the creation of new economic relationships between suppliers for export and foreign trade enterprises.

Ad a). Changes in the structure of the national economy should include a radical acceleration of the development of all links in the food industry. This requires the appropriate changes in agricultural and consumption policy. Agricultural policy should be stable and just, it should promote production and productivity. The consumption policy should aim to increase the portion of people's income spent on industrial articles.

Ad b). Agriculture needs support of the development of plant production, especially anti-import and export production, including wheat, high-protein



feeds, low erucic acid level rape, malting barley, edible potatoes sugar beets, etc.

Ad c). The maximum quantity of goods should be sold for convertible currency or convertible currency goods.

Ad d). To date despite the lack of a balance of payments, the size of agriculture imports has not been independent of agricultural exports. In general, solvency and not an active agriculture and consumption policy has regulated the relations between the size of imports and exports. Among other reasons this has resulted from the division of responsibility for nutrition standards and foreign trade between different ministries. The agriculture and the domestic trade ministries for nutrition and the operation of the domestic market, while the foreign trade ministry controlled the balance of trade. When the state feels responsibility for the people's food supply, noticeable shortages find expression in pressure to import (such pressure is exerted by both the agriculture and the domestic trade ministries); anti-export feelings also increase hampering the freedom in controlling the size and structure of export supplies, especially since the foreign trade ministry does not possess sufficiently strong economic instruments for stimulating farmers and processing industries to produce for export. The foreign trade enterprises are almost completely separated from the production process; in general they expect "goods to be placed at their disposal" (only Hortex, Agricoop, and Interprego endeavor to achieve closer cooperation with producers). We can say then that management instruments, both administrative (figures in the Central Annual Plans under current planning methods can be considered instruments for forcing exports) and economic (the domestic successfully competes with exports) used in agricultural trade have been faulty. In this situation it would be useful to assign the agriculture ministry an appropriate portion of the convertible currency income from exports and make it responsible for financing imports.<sup>(4)</sup> Initially, this assignment could exceed the agriculture export income; but after an appropriate period this income should be sufficiently large to make a convertible currency surplus possible.

Burdening agriculture with financial responsibility for imports of agricultural raw materials and tropical foods would liquidate the contradiction between nutrition and payments policy; this ministry would have to implement the goals of both policies successfully. At present the agriculture ministry, responsible for nutrition, pays insufficient attention to promoting exports (example: rye, barley, potatoes) to limiting imports (examples: butter, cheeses, meat, lard, wheat, or high-protein raw materials for producing nutritive feed). After taking over responsibility for exports the agriculture ministry would be interested in removing the import promoting instruments (prices, exchange rates) in foreign trade, although at present it actively supports them.

The agriculture ministry's responsibility for financing imports of agricultural raw materials and tropical foods would require economic measures and organizational measures (for example, creation of a Chamber of Agricultural Trade for promoting food production and exports).

Ad e). A so-called green exchange rate should be introduced to promote more effectively exports of selected products and to correct other financial instruments, for example, convertible currency retained earnings, exemptions from taxes on income or above normal wages.

Ad f). The financing of common investments with the foreign trade enterprises would form new integrating relations between agriculture, the food industry, and foreign trade.

Some of the conditions affecting the size of the convertible currency surplus can be changed in a relatively short time. The others, however, especially changes in the role of agriculture and the food economy, and the structure of agricultural production and foreign trade in agricultural products will require a long time.

1. My own calculations based on data from the Central Office of Statistics.
2. My own calculations based on data from the Central Office of Statistics.
3. Establishing the size of current imports required long, detailed studies and consultation with the agriculture and domestic trade ministries.
4. The financing of imports by the agriculture and food industry ministry would include centrally balancing the products of the food industry and agriculture and the products purchased for retained earnings for producers. Initial steps toward changing the agricultural export planning methods (but not the balance of trade yet) were made with resolution no 178/85 of the Council of Ministers of 15 September 1985 on the Central Annual Plan for 1986 (art 26). This resolution establishes the principles for creating and distributing a central convertible currency fund for earnings above the levels in the Central Annual Plan (\$757.5 million). This resolution requires the minister of agriculture and the food industry to receive the required sum of convertible currency from exports of agricultural products.

13021

CSO:2600/420

## LABOR BRIGADE SYSTEM SUCCESS STORIES, ADVANTAGES REPORTED

## 'NOT' Honorary Chief Promotes System

Warsaw PRZEGLAD TECHNICZNY in Polish No 50, 14 Dec 86 pp 6,7

[Excerpt from paper delivered by Prof Janusz Tymowski, honorary chairman of the Chief Technical Organization [NOT], at a conference on new forms of work organization, held in October 1986 in Rzeszow]

[Text] A new enterprise, its products and the management methods used, have become so complex that it is impossible for central management to foresee the changes that are occurring and react to them quickly enough. Therefore, decentralization is essential and as much independence as possible must be granted to lower organizational units while they conform with general directives. Decentralization requires cooperation and this, in turn, means that the circulation of information must be properly organized. Each employee should get as much information as he needs to do his job, but in addition the entire workforce should be kept informed about the status of the enterprise and its problems.

Information should flow in both directions, i.e., from the top down and from the bottom up. The information system should solicit expressions of opinions from workers on how their work can be made more efficient, how products can be updated, how materials and energy can be conserved, and how working conditions can be improved. A well-organized information system is extremely important to the flexibility of an enterprise and its receptivity to innovation. According to French data, the innovational capability of plants employing up to 500 people is 24 times greater than that of large firms, and in firms employing up to 1,000 people, it is only four times greater. This is the result of inertia in large organizations, but to a large degree it is the result of difficulties in the flow of information. The component elements of such systems have a tendency to withdraw into themselves and create jurisdictional barriers.

Characteristically, experience has shown, the smaller enterprises are more efficient. This is because planners base their reasoning on optimizing the functioning of equipment, forgetting about the person. Meanwhile, work efficiency depends on the quality of human structures.

In Europe, production groups began to be formed much earlier than in the United States and their autonomy is much more advanced. The concept originated with the Czech industrialist Bata, who as early as the 1930's gave the individual departments of his plants, and even the individual workers, a considerable amount of economic independence. A department bought services from other departments of the same plant, and if it could get them cheaper outside the enterprise, it had the right to do so. Workers bought tools in their own plant and could also buy them outside the plant if it were possible. Thus competition within the plant arose as well as pressure on costs, and in turn, the workers took better care of the tools.

Studies conducted in the late 1950's in the industrialized countries revealed a general dissatisfaction among employees in large plants--a dissatisfaction stemming from a far-reaching division of labor which led to work being performed in an unthinking, automatic and monotonous way.

The first measures which were intended to quiet the aspirations of the workers were: giving an employee not one operation to perform but several, cyclically shifting him from one job to another, expanding the range of function on a given job and possibly including certain elements of work preparation.

But the effects of these measures were very limited and the Volvo Factories in Sweden also experienced particularly acute difficulties caused by absences and fluctuation. In 1965 they began to study a new approach to the organization of production, the shaping of the substance of the work and worker participation. Generally the changes instituted as a result of these studies included: job integration, decentralization of decisionmaking, and more autonomy to individual employees. As the Volvo Factories finances permitted, this was combined with work automation, especially the extensive use of industrial robots which eliminated the monotonous and arduous tasks. In the new factories opened up in 1974 in Kalmar and Skovde, the buildings were arranged so that even though it was a large plant, an atmosphere of small shops was created, in which people feel better.

The basic idea of the new organization was to create independent production groups to produce a specific assortment of products, with a specific set of machines and equipment, facilitating the implementation of the entire process by giving it the right to order possible necessary services from other groups.

In the late 1970's such production groups, called brigades, began to be formed in the USSR, and on 12 July 1979 at a joint meeting of the CPSU CC and the USSR Council of Ministers, it was affirmed that the experimental brigades are a success. It was decided that this form of work should be expanded so that during the eleventh 5-year plan it is the primary one.

Bulgaria is instituting the brigade system on a large scale. The brigades vary greatly in size, from a few to several dozen people. When independent production groups are formed, two conflicting characteristics appear. The possibility of including technical and administrative employees in the brigade to service it, tends toward the creation of large brigades. This tendency seems to be prevalent in the USSR. On the other hand, cooperation among brigade members, substitution for each other, feeling a connection with the



brigade's work results, would favor the creation of small brigades--15 to 25 persons.

In Poland, independent production groups, under different names, did not begin to appear until the last few years. They were generally received very favorably and were economically effective--a 20-30 percent growth in productivity and a commensurate growth in wages. But this is too short a period (and like everything new, these work forms are given special attention by the plant management), to issue a final verdict.

The basic defect in our production systems is the lack of a close relationship between the interests of the employees and the interests of the enterprise. The means of production have become the property of the state, which represents society, and the employee thinks in terms of a hired hand, for whom the plant management represents someone from whom we want to extract the maximum benefit possible, without regard to how this will affect the enterprise. That is why we see enterprises, which are operating at a loss, paying wages in the 13 and 14 bracket.

On the other hand, it must be said that plant managements do not treat their employees as partners, are not very interested in what the ordinary worker thinks about his job, transmits information about the status of the enterprise and its plans only on a formal basis, and does not attempt to draw the worker into any kind of cooperation.

As a rule, we employ macro-group concepts: the working class, the technical intellectuals, the engineering circles--but no one is interested in Kowalski as an individual and no one in the enterprises sees how both sides would benefit by this both directly from the economic standpoint as well as indirectly from an expansion of public awareness.

The use of production groups may bring about a basic turnaround, making the an individual worker's earnings dependent upon the work results of the brigade of which they are a part, and making it possible for the brigade to exert an effect on these results, thus on their own earnings. Especially by making better use of worktime.

A sense of responsibility to one's colleagues in the brigade and the knowledge that the brigade controls its own workers may greatly reduce or even eliminate lost time due to late work starts or early quitting times and the time lost in idle chatter and standing in snack lines. It is estimated that an average of an hour to an hour-and-a-half a day is lost in this way. The possibility of working on more than one job has been increased by eliminating formalities and dividing the work more flexibly within the group, encouraging workers to apply their own minor efficiency improvements which do not qualify for submission as an efficiency-improvement proposal, but do cut down on the amount of time necessary to do the work; use of possible free time on a given job to do certain other things now being done by special workers; greatly reducing, all the way down to eliminating, work standstills due to flexible division of labor. A worker who temporarily has nothing to do at his workstation goes to another station.

Reduction in percentage of scrap and repairs—better utilization of material. Just as waste time, so the costs of scrap and repairs, too, reduce the earnings of the entire brigade which will try to eliminate those workers who are careless.

Better utilization of equipment by reducing failures and the time needed to correct them, through better care of machinery and interesting the workers in repairing them, by including them in the group.

Very important also is integration of workers with the plant and the possibility of making use of their experience and intelligence by designing and applying new capital projects, which will make it possible to avoid many mistakes and reach full production capacity sooner.

Conditions for success--we must realize that creation of independent production groups must be preceded by much preliminary work:

a) putting worktime norms in order. These norms must be in place in order to correctly determine the time-intensiveness of tasks which the group is to perform. Time norms now used in our plants generally have little relationship to the time actually needed. The jobs must be defined together with the necessary category of skills, and this entails hourly wage rates.

b) preparation of materials norms, also totally neglected.

c) preparation of tool-life norms, which do not exist at all.

d) rearrangement of cost calculations, applying a job-cost method instead of the one generally used (in a simplified form) and a surcharge method. Without this, in a case where a brigade is making only one part of a product, the calculation of the brigade work results may be completely false.

e) for certain industrial subsectors, energy consumption norms must also be prepared.

We should unquestionably strive to introduce independent production groups (brigades), but they should not be introduced too hastily and we should not count on obtaining great results very quickly. We should begin with experimental introduction of single brigades in plants of different subsectors, with short operational cycles and production which is not diversified. At the same time we should work on preparing the above-listed materials and prepare a management staff to deal with the different nature of its tasks.

#### Brigade at Gliwice Machine Plant

Warsaw SZTANDAR MŁODYCH in Polish 26 Nov 86 pp 1,2

[Article by Marian Twarog: "Standing in Line For a Brigade"]

[Text] If anyone were to leave 27-year-old Krzysztof Harasim's nine-man brigade it would be no problem at all because at least a few dozen others

would be willing to take his place immediately, even though they would not be paid for overtime or for standstills and there is no second-shift, Saturday or Sunday pay differential. Nevertheless, under the brigade's zlotys piece-work rate the pay is good.

When consideration was given several years ago in the Bumar Labedy Machinery Plants on how to increase labor productivity, how to give more pay to those who are best qualified, and how to reduce the number of overtime hours, the most reasonable solution seemed to be the piece-work system. But not the kind that is generally applied because its incentive character is rather limited.

"Does it make sense to break your back to make your job more efficient," the workers asked, "when an official then comes along and changes the norms?" That is why the workers often concealed the potential for increasing production, preferring to leave everything as it was.

#### And That Is Why the Zlotys Piece-Work Rate Was Conceived

The appropriate application was made to the management by the chairman of the Workers' Council, engineer Cynkalik, who, together with K. Harasim and many others, racked their brains for a long time before they worked out the final variant, and even this one had to undergo a lot of modifications after a period of testing.

The people from Harasim's brigade volunteered to be the "experimental rabbits." "Harasim," the first secretary of the PZPR Factory Committee in Bumarz-Labeda, Adam Grabowski, says "is not only young and energetic, he is a doer and carries a lot of weight with the workers." Their testing period was the last three months of last year. Their pay was calculated according to the new rules, but they asked to be paid according to the old ones for comparison, because after all, no one wants to be a loser. Because their fears turned out to be baseless, on 1 January 1986 two brigades from department 360 headed by K. Harasim, first secretary of the Primary Party Organization, and Z. Polchlopek, section chief of the Union of Socialist Polish Youth chapter, went over to the new system.

Most briefly, the system is based on the following: By a complicated series of calculations, all of the work coming into the brigade is priced in zlotys. At the end of the month, all of the money earned by the brigade members is added up and the total is divided in the brigade according to rules which are clear and understandable to all.

"For example," Harasim says, "if we earn 250,000 zlotys in a month, "we divide 70 percent of this among our people in proportion to the number of hours each worked, and we leave 30 percent as bonus money, which we use to reward quality, conscientiousness, skill, discipline, etc. This bonus money is divided each month by the foreman, me and another brigade member (a different one each month). After the division is made, each of us signs it, saying that he has no objection to the proposed amount and the list then goes to the payroll department."

Under this system work-cards are not necessary, nor are personal job classification rates or others, because we pay only for work that has been specifically performed, according to the rule "you get paid for what you produce." Furthermore, you work only when there is work to do, i.e., one day you



may work 4 hours, and the second day, 12 hours, but at least the number of hours in a month as is the statutory monthly workload. But no one sits on the job with nothing to do.

Nor does anyone try to get overtime work because he won't get anything extra for it, or work on days that are legally nonwork days because, for example, he gets no extra pay for Saturday. That is recorded in the special agreement between the brigade and the management, because plants as a whole must also benefit in some way from this zlotys piece-work system.

"The rule is: Produce as much as you can in the shortest amount of time and without scrap," says Jaroslaw Witkiewicz, a 20-year-old member of the brigade. "If you do something wrong, you have to correct it free, to say nothing of the fact that three such cases in one month can cost you your whole bonus. It is the same with job discipline: Come to work a few minutes late and you lose. But if you get the brigade leader's permission because you have an important matter to take care of, you can come even 3 hours late without suffering any consequences. This is an especially interesting system for us young people, because how many years you have been working, or how you are classified, does not determine what your earnings will be. Only the amount and quality of your work determines that. If you can earn a lot, why loaf around. Last month, for example, I received 50,000 zlotys for 250 hours. That's worth the effort."

The figures thus far show that productivity in this brigade rose more than 20 percent, the number of hours worked over and above the required worktime dropped by half, and earnings rose a good few thousand zlotys a month. And all this is happening because, as those in the know say, the people themselves care about good work organization, share the good and bad work among themselves, and themselves divide the money earned--in a word, they manage themselves.

"Our zlotys piece-work system is still not perfect," says Harasim, "and we will continue to improve it. But since September two brigades are working under this system and starting in January of next year another six brigades will go to it. As you see, it is profitable to the people as well as to the enterprise."

#### Brigade at Mazovian Shipyard Crane Plant

Warsaw RZECZPOSPOLITA in Polish 15 Dec 86 p 3

[Article by Ada Kostrz: "For Oneself and for the Enterprise"]

[Text] The plan was that this was to be a remedy only for cadre deficiencies in the enterprise. In practice it turned out to be a means of favorably influencing both the condition of the entire enterprise as well as the earnings of its employees.

The Crane Factory in Minsk Mazowiecki makes jib cranes for ports and shipyards and various types of overhead cranes. In the case of the former products, the contract with the customer also provides that the cranes will be erected at the place where they will be functioning, they will be trial-tested and then approved for operation. Employees are needed in both Minsk and on the Coast.



Cadre losses in the early 1980's were responsible for the fact that in the years that followed the enterprise was faced with the possibility that it would not be able to fulfill its contracts on schedule. In addition to cadre losses, collaboration with design offices was disrupted and there were shortages of materials. Examination of the individual stages of the production in the factory led to the conclusion that the final stage--the erection of the crane, could be shortened, thus making up some of the earlier delays.

#### What Should Be Done During Storms?

Port and shipyard cranes are first erected at the factory site in Minsk. They are then disassembled into primary elements and again reassembled and completed at the customer's site. Therefore, if materials could be prepared, in accordance with the technological documentation, at the shipyard and the necessary skilled workers were then sent there to do the job, the time required to do the work and put the crane in operation could be greatly reduced. But a select group of people is necessary to do this--people who are able to execute a very responsible job without the supervision of masters, managers and the presence of technological assistants.

Erection out in the open may be pleasant in the spring or during a summer which is not too hot, but it is certainly not pleasant during fall storms and winter frosts. Bad weather conditions may even impede the work, but if the organization is efficient other work can be found which is not affected by weather. Therefore, it is possible to increase work productivity, but not through the use of higher norms or the issuance of orders. Subjective factors must be employed: willingness and organizational skills. In order to take advantage of these factors, financial incentives have been used with success: The money due the people was computed on the basis of a job estimate, and the group itself decided how long it would take to earn this money.

Because good cooperation among the people in the brigade could determine the success or failure of an undertaking, it was decided that this must be a group which selects itself. But, of course, under the watchful eye of the manager, because the work, in Minsk, could not suffer because of an on-site experiment.

The first independent brigades were formed in 1983. And because this system of work organization passed the test, it was replicated and expanded, fulfilling orders from foreign customers also: In Decina in Czechoslovakia and in Lagos in Nigeria. Jaroslaw Dabrowski, rigger and brigade foreman, was twice a member in 1985 of such work groups in the Warski Shipyards and in Decina. He was a member of a group for a month and a half in the Polish shipyard--he was needed for only that period by his colleagues, and the group does not tolerate unnecessary workers. A stay which the brigade had calculated would be 6 months was reduced to 4 months, but as Dabrowski says, no one wasted time. Because they valued time, they finished the job very quickly. For the most part, they worked much more than 8 hours a day. They organized the work so that they would not be idle when the weather was bad. There were no stoppages. In the evening instead of going to a nightclub they met in the hotel and the "staff" planned the next day's work.

## Who Benefited the Most?

The benefit from this form of work for those performing it was very obvious: more money in a shorter time. In addition, by reducing the amount of time spent away from home they spent less on living expenses, and after all, the per diem granted does not fully compensate for all expenditures.

The entire enterprise benefited in many ways from this and subsequent organizational and financial operations. Wlodzimierz Samson, assistant director for development and production preparation, names the following: schedules were met, therefore there were no penalties; because erection cycles were reduced as much as 40 percent, processing capacity was made available. In 1985 the factory increased production 38 percent simply by improving labor productivity. This year sales are supposed to grow 19 percent, again as a result of pushing productivity, because only a 1.4 percent increase in employment has been planned and anyway, fate has frustrated its plans insofar as cadres are concerned. To a large degree, these results were obtained because of the work of the brigades.

Thanks to the brigades, prime costs also dropped, because the work sites, warehouses and auxiliary facilities are leased for a shorter time. Losses due to prolonged storage of parts and materials in the open air have also been eliminated. To say nothing of the fact that people are not being paid for overtime work.

## "Golden Hands" Are Urgently Sought

The several-member group, which selects one of its own as boss, receives an order from the enterprise management to do a specific job and is paid to do it. But the contract is binding on both sides: The enterprise must provide the working conditions, materials, equipment, hotel and subsistence (due to difficulties in obtaining materials, the number of brigades in Minsk was recently reduced). On the other hand, the group should be able to do the work assigned and do it well. It is easy to enforce quantity, but harder to enforce quality--at least that is what representatives of other factories which are attempting to organize various forms of partnership groups say. There is no such problem in the Crane Factory. The work results are verified by inspectors from the enterprise and also--and this is mandatory--by representatives of the Navy Office or the Polish Ships Registry. And when the customer finally accepts the crane, the people who did the work are paid the rest of the money that is due them.

Such a work system inspires ingenuity and resourcefulness, talents which are highly valued. At the same time, those in the enterprise know the limitations of their use, if only because people cannot work continuously at their highest levels.

But in those places where groups already exist, they are doing well. And not just in the erection of cranes in shipyards or in the Warsaw cement plant. In Minsk a construction-assembly group was also organized in this way. In 12 months of work, tearing down old walls and putting up new ones, it built two shops. An independent brigade is now assembling devices for loading fiberboards in Zary.

There are also plans for the future. The workers from Minsk formed the groups which erected cranes, but the factory also has an "outside erection department" in Gdansk and, as director Samson said, they want work exclusively on the basis of contracts. In production, too, they want to gradually institute such a work system. Because employment will not grow, more can be produced only in this way, by stimulating greater productivity.

And it is possible, while conforming to the laws of economics and without danger of a tax on above-norm wages, to pay people more. The problem of filling-in for sick employees also disappears, because the brigade handles this. And more broadly: This is a way of bringing the interests of the enterprise and its workers more closely together, if we include in the contracts a requirement to conserve energy and materials.

#### Koszalin Plumbing, Wiring Installation Unit

Koszalin GLOS POMORZA in Polish 5 Jan 87 p 3

[Article by Leslaw Budzisz: "They Do Not Look to Others"]

[Text] On New Year's Eve I visited the brigade of the Koszalin Construction Installations Enterprise (KCIE) which was replacing a heat exchanger in a building on Rodel St for four housing cooperatives which have their own houses in the Gory Chelmskiej area of Koszalin. I saw the old central heating equipment had been disassembled and new, higher-capacity exchangers had been installed. A test run, i.e., a heat test, is to be conducted today. If it is successful, only the small, "cosmetic" work will remain to be done.

The brigade is made up of five persons. Asked about the degree of difficulty of the task being performed, the brigade foreman, Kazimierz Sliwinski, does not conceal the fact that usually the jobs they get are more difficult. This is due to the skill and experience of his people, who are central-heating specialists. And so far they have not had a job which they could not do. Therefore, they have a good reputation in their firm. It is said that Sliwinski's brigade is unbeatable.

--"The pay is pretty good and that is what keeps me here," says Stanislaw Kazimierski. "My average monthly pay is 27,000 zlotys. If the work is done on schedule the brigade is entitled to a bonus of 25 percent. If we do it ahead of schedule we gain extra time for the next job, and so the benefit is twofold. We don't argue about a job--who gets the good work and who gets the bad work. Everyone does what he does best. There is a partnership arrangement: Everyone works for a common pool and the money is divided according to the number of hours worked and his job classification rate.

I felt the good atmosphere in the brigade immediately, from the moment I entered the heat exchanger building. They all know each other very well. Early every morning they decide what they will do and how far they will go in completing the whole job. It is true that sometimes they work after hours, but not because someone is making them do so. They simply know what they are supposed to do and by when. They know how to count, so they know how much they can earn or how much they can lose.



Brigade members Stanislaw Kupisz, a welder, and Ryszard Jarkiewicz, a plumber, believe that such a work system leads to higher productivity and thus to higher earnings. They see to it that the work atmosphere is good and that everyone works as a team. They settle all matters themselves. They say that absolutely, they would never return to the old working and wage conditions.

"For me," says the youngest of them, Roman Jakubowski, who came to the brigade straight from the army, "it is also important that the brigade has a good reputation, that it does work that is socially important. After all, it is we, despite the fact that we do not do the construction work but only the installation work, who in the last analysis determine when the apartments are ready for occupancy. Without us, without our work, no living quarters would function normally.

The times when it was said on construction sites that you get paid whether you work or not have passed. Today, if you do not work you not only go home with empty pockets but also, and this is worse, the brigade kicks you out of the group. Here, under the piece-work system, because that is what the brigade system of work really is, there are no buddy-buddies and there is no loafing around. One person watches another, otherwise the job does not get done and you don't get paid.

"Here the brigade system of work is nothing new," says the first secretary of the Primary Party Organization in KCIE, Zbigniew Perkowski. "No one has to be persuaded because it has already proven itself. The brigade signs a contract with management covering the scope of the work, the schedule under which it is to be performed, and the quality requirements. If the work is done on schedule, a bonus applies. The contract pertains to installation of water-sewage, electrical, central heating or gas equipment in buildings built by construction combines in Koszalin and Kolobrzeg and by the Pojezierze Building Enterprise in Szczecinek. Naturally, the management of our enterprise is required to provide the materials and equipment. The brigade system inspires people to do reliable, on-schedule work. There is no time for "Viennese breakfasts on the lawn," or long discussions over a cigarette. We know very well that time spent in talking is time wasted.

The Koszalin Construction Installations Enterprise fulfilled its fiscal year plan back in November. They are a little resentful, and rightly so, that this was not mentioned in the press. And there is much to boast about. Here is the list of jobs recently completed. They finished working in the No 4 apartment building in the Przylesie housing development at Union of Young Fighters and Wladyslaw IV St in Koszalin, at Wylotowa St in Kolobrzeg, in the Traugutt housing development in Karlin, in the Zachod housing development in Szczecinek, and in the Chaplinecka housing development in Zlocieniec. Their total production during the year amounted to 1 billion 390 million zlotys, they exceeded the fiscal year plan by 10 percent, and improved labor productivity almost 24 percent in 11 months of basic production.

To what do they attribute their success? What makes them anxious to get the work done? Those with whom I talked, including the head of the sanitary-engineering jobs group, Miron Samec, and chief engineer Wiktor Kozlowski, believe that the prescription for good work is a brigade system of work. It



is true that plant turnover is still considerable, amounting to 39 percent. But now only those leave who have not done good work and who are looking for a free ride. The brigades eliminate those themselves--after all, no one is going to work while someone else loafs.

Is the brigade system really a cure to speed up job performance, I asked the director of the enterprise, Leslaw Mytnik. Definitely yes, I hear, but only if there are more materials available. The enterprise is working simultaneously on over 100 job sites. It must have a constant flow of materials in thousands of different types. Lack of an ordinary valve, gauge, toilet bowl or wash basin often makes it impossible to finish the job on schedule and causes delays. Frequently we must amend our contracts with the brigades, through no fault of theirs. We cannot penalize them for jobs which have not been completed because we cannot give them the materials.

But they have their own "connections" and know how to wheedle and coax--get materials they need from middle-men. If distribution functioned without disruption, said the director, we could do at least 30 percent more without increasing employment by even one person.

The promise, made at the CC Third Plenum, that the flow of materials would be regulated, was greeted in KCIE with great satisfaction. Another problem which haunts them is the drop in accomplishment of housing construction tasks in the voivodship. At one time, harking back to the "good days," over 80 percent of their potential was committed to housing. Now this figure has dropped to 50 percent. Meanwhile, they do work for general construction, industrial construction, and take on other smaller jobs, such as single-family buildings in housing cooperatives.

Concern about a full file of orders is a matter for management, but not for it alone. There was talk about this also at the reports-elections meeting of the Primary Party Organizations (PPO), because how could it be otherwise. The party is not indifferent to anything. True, this organization has 42 members out of 585 employed, but after all, they see their role more broadly and want to bring the entire workforce under their influence. And for the brigade work system, the position of the PPO is this: This is a proven way of bringing the interests of the enterprise closer to the interests of the employee. Of course, there are still matters which must be settled, e.g., the classification rates. They expect that they will be helped by a provision in the CC Third Plenum resolution which requires the government to accelerate the passage of laws putting work norms into order.

9295

CSO: 2600/381

## ARTICLE DRAWS SYNTHETIC PROFILE OF ENTERPRISE MANAGERS

Warsaw TRYBUNA LUDU in Polish 26 Jan 87 p 4

[Article by Marek Szymanski: "Who Manages the Economy?"]

[Text] The second stage of the economic reform will be realized by enterprise directors. The average enterprise director is 46-55 years old, has an engineering education, over 10 years of job experience with his institution, been part of management for 8 years and been promoted to his present post within the past 5 years.

Such a statistical and synthetic portrait of the modern Polish enterprise director was painted by reserachers based on reviews of management cadres, polls and tests conducted over the past several years. Details follow.

Of course a director does not operate alone in the economy. But his role is special. He determines the work results of hundreds if not thousands of people; their frame of mind, good or bad; and their material and mental well being. After all, we devote one-third of life to work. Directors, their attitudes and organizational demeanour, are often very crucial vis-a-vis the fates of enterprises and thus the national wealth worth billicns.

In his speech concluding the 3rd Plenum of the PZPR Central Committee, Comrade Wojciech Jaruzelski stated that the above is undeniable. He also said: "A director must be fully capable of executing his functions, have a sense of bearing responsibility, and at the same time a sense of material, moral and prestigious satisfaction with the results of his work."

#### Who Are They?

Who is this Polish enterprise director at the threshold of increasingly difficult tas's? Here are several more details based on the conducted research.

Forty percent of the directors are in the 46-55 age bracket, 19 percent are older that 55. In general, and this is especially so for the latter group, it is not the time to attempt bold innovations, a time of brimming energy. In this stage of a man's life, his wealth of experience if often bogged down with

the burden of routines. Seeking to take life easy also is apparent, though no age bracket has a monopoly here.

Main Committee for Physical Culture and Tourism units have the youngest directors in Poland (11 percent are less than 35 years old). Only 11 percent, but one would like to shout that by its very nature such work is for youth, action and vigor. The Ministry of Foreign Trade claims the oldest cadre of directors (34 percent older than 55), which is food for thought considering its results ...

In Poland, 10.3 percent of the directors are less than 35 years old and 33.7 percent are in the 36-45 age bracket. However, most of them have little experience because they were appointed to their positions during 1982-1983 when the new cadre policy rules, which were developed at the party's 9th Congress, were implemented on a broad scale. This trend toward depending on youth to create management cadres is already obvious, but the developmental potential of the 30-year-olds awaits fuller utilization.

Despite current opinion, Poland's enterprise management cadres are quite stable. Over 30 percent of the directors have been functioning in their positions in excess of 15 years, 13 percent, from 11 to 15 years.

Fifty-one percent of Poland's directors were recruited from the outside, assuming the top position at their enterprise immediately. Heartening, however, is the fact that 60 percent of the directors nominated during 1981-1983 were promoted from within their parent enterprise. This means that 'one's own' cadres are beginning to be appreciated. Thus before being promoted to the top, these managers will have had experience at the lower levels. This will bear fruit later on.

#### What Are They Capable Of Doing?

Poland's enterprise directors are very well educated. Eighty-seven percent have higher education (including 1.7 percent having doctorates and assistant professorships). This index is improving relative to directors selected after 1981. Technical education is dominant (69 percent of the directors). Only 10 percent are economists. About 5 percent are lawyers. The dominance of technical education continues among the directors selected after 1981.

Open to debate is: Should or should not there be more economist-managers, which is especially significant in light of intensifying the reform, in which, of course, knowledge of economic principles comes to the fore?

The September 8, 1985 issue of ZYCIE GOSPODARCZE contains a well documented thesis stating that while it is true that the methods for appointing directors have changed (for example, via competition), the selection criteria remain the same despite the fact that the reform changed conditions for managing enterprises. Naturally, this diminishes the effect of competition on economic practice.

#### What Are Their Attitudes?

Eighty percent of enterprise directors are PZPR members.

"To a great extent, this is justified," stated Comrade Wojciech Jaruzelski, first secretary of the PZPR Central Committee, at the 3rd Plenum of the PZPR Central Committee. "After all, most active people belong to the party, fulfilling their obligation to excel; many admirable, dedicated people are comrades. But the existing situation does not fully satisfy the need to utilize optimally the cadre potential of our nation. It creates the unfavorable impression that party membership facilitates promotions and assures 'preferential duties.' Thus, the number of titular members and careerists increases. We know the results of this only too well. After all, it is quality and not quantity that counts."

"Party-solidarity in cadre policy does not mean all levels of the state and economic structure are staffed with party people. This would appear as if the party is directing itself above all, and thus, in spite of appearance, its widely understood leading role is weakened and not strengthened. We must expand the fields of activities and assure promotions to those that are really the best, regardless of their affiliations."

In the meantime, "some management cadres keep their positions merely on account of their 'conformity,' they do no wrong, but they risk nothing by assenting," stated lately Wladyslaw Honkisz, director of the PZPR Central Committee Department of Cadre Policy, in an interview with TRYBUNA LUDU.

Enterprise directors in Poland seldom run afoul of the law. More often they can be accused of lack of ambition, liberal attitudes toward minor thefts or drunkenness on the part of their subordinates. Often subordinates complain that their bosses have an excessive tendency to look out for their own welfare (though, generally, in a legal manner) or to isolate themselves from people. In these and similar situations, the party and state authorities react decisively, although not always quick enough, and not always consistently.

"In the past 2 years many names of managers, directors and chairmen appeared in reports issued by social and professional control organs," said Comrade Jaruzelski at the 3rd Plenum. "Their 'contribution' consisted of not only mismanagement, abuses caused by lack of supervision, indifference and sloth. Wastes caused by squandering opportunities to progress, rationalize, economize, better utilize qualifications and material-technical resources, and especially wasting human energy, fervor and initiative should be added to the above."

The information presented by T. Hupalowski, chairman of the Supreme Chamber of Control [NIK], at the 3rd Plenum of the PZPR Central Committee supplements this evaluation. Namely, in 1985, 904 management type people were officially punished; during the first 3 quarters of 1986, NIK proposed punishment for 702 such people.

What Are Their Qualifications?

Answers to this question were sought by researchers from the Institute of Management Organization and Cadre Improvement in a 1986 survey that was



developed and publicized in 1985. That was quite a while ago. It must be admitted that much has changed since that time. However, it seems the survey's basic conclusions and observations are still current.

It turned out, for example, that the best results, attesting to a good knowledge of the principles of the economic reform, were achieved by directors of the largest enterprises. It can even be stated that the smaller the enterprise the poorer the director's knowledge about the reform. At another profile, it turned out that directors in the 36 and above age bracket (but less than 50 years old) were most 'receptive' to the reform. The poorest results were achieved by directors performing their functions more than 15 years. In the survey, directors trained as economists were in the lead, followed by directors trained as lawyers. In third place were the engineers who, as mentioned earlier, form the majority of directors.

Incidentally, directors of enterprises turned out to be better prepared for the reform than the management cadres of the ministries and central offices.

All survey participants also indicated that they are better acquainted with the structure of the national economy and the principles for managing it than with the implements of central control and the economic-financing systems for enterprises. It also became evident that enterprise directors are more aware what they should do in the framework of reform than how to do it.

This is especially unsettling because the possibilities of expansion in many enterprises via economic reform are not utilized merely because the director does not know 'what is being played' and 'how to play.' This is confirmed by the poll conducted by the Public Opinion Research Main Center [CBOS] in December 1986. The poll concerned wages as viewed by directors. It turns out that most directors seek to increase worker compensations more often outside the framework of the enterprise, that is, by skillfully using various kinds of accepted concessions, privileges, preferences and so on. For example, by proper work evaluations, individual incentive systems and the like.

#### What Are Their Positions in the Plants?

It is known that they are at the top of the hierarchy. But this does not mean they are accountable to no one or share authority with no one. There is the party organization, the worker self-government and the union organization. In this 'landscape,' what is the director's position, who, on the one hand, must have authority for the good of the enterprise and, on the other hand, must listen to the worker's representatives, also for the good of the enterprise?

"It is known generally (and theoretically) that all factors in a plant are interrelated with the harmony of the interests of the enterprise, which represents a part of the national economy," states Professor Bar, for example. But in practice worthy of remembrance are the recent discussions of worker self-government activists who did not agree to changes in the law on enterprises that limited, in their opinion, the rights of workers' representatives and endangered the directors' authority.

In the opinion of many worker self-government and union activists, the director appears more like a state functionary 'imposed' by the minister than a manager and member of the workforce. I believe much time will pass before these matters are settled. "Competent, active self-governments manage without a nursemaid," said Comrade Wojciech Jaruzelski at the 3rd PZPR Central Committee Plenum. "As the collective manager of a plant, it will function as guaranteed by the law."

But what will happen when encounters or disputes develop in this or that enterprise between the director and worker self-government? If both sides observe the law, and if both sides are guided by the same highest goal, that is, the good of the enterprise and the national economy, then I would not fear the struggle. Being familiar with dialectics, I would even be pleased because it should bear good fruit, for example, better discernment of disputes and development of more mature decisions.

#### Why Do People Become Directors?

Based on what I wrote above and, as is universally known, the role of a director, especially of an enterprise, is not easy. Tasks and demands are increasing; the number of contractors to be dealt with is increasing; and control is becoming more strict. However, be it as it may, candidates for director positions are not lacking. Sometimes, some well advertised positions attract dozens of applicants. I write 'sometimes' because at times one candidate or no candidate competes. But this is rare.

At the same time, most directors that participated in the CBOS poll in the fall of last year complained that their material status was average or below average and that their housing is below the accepted average. Over 40 percent of the polled directors acknowledged that most director positions are unattractive.

In addition, a large portion of the directors observed that directing is an uncertain undertaking. One-third of the participants in the CBOS poll believed their future will be a matter of chance; a large number said it depended on their bosses. Only less than half believe their future depends on their own comportment and work results.

Then why is it that so many people compete for these positions?

The CBOS poll participants replied that their professional advancement was an expression of social advancement. They obtained a much better education and social position than their parents did. It turns out that this function makes up for all the nerve-wracking problems associated with a director's job. In my private poll of a contentious group of friendly directors, the following components were also repeated: pleasure of managing in itself; more independence than others in the plant; the pleasure of knowing that I will do something important; and the desire to be right. To use one's qualifications and labor to serve society as best as possible was mentioned only rarely and very timidly, even though the diligence, honesty and involvement of those I polled appeared to confirm the contrary.

In light of the facts, and not merely the personal feelings of those interviewed, what is the material status of the managers of the socialized economy?

According to data from the Ministry of Labor, Wages and Social Affairs, a director of a large enterprise (category I) can earn a maximum basic salary of 30,000 zlotys per month. A function supplement of 16,200 zlotys and a length-of-service supplement are added to the above. A premium (if earned) of up to 30 percent of basic pay may also be added on.

Director salaries are effectively increased by so-called profit sharing, the amount of which is not formally limited. The salaries of category II and III directors are correspondingly less. Presently, it is being proposed increasingly to link director remunerations directly to the economic results achieved by the plant he manages. This will be an incentive for better, more conscientious management.

Now it is time for conclusions.

Theoreticians and practitioners are in total agreement: the second stage of the reform means that the director's time has arrived. Of course, a director who is properly selected, prepared and capable of reconciling the production base with the human superstructure; one who cooperates skillfully with the representative organs of the plant's workers, requiring but at the same time open to worker initiatives and opinions. Such directors must be supported and protected, just as a commander protects his troops at the front. Such directors deserve respect, satisfaction, money, good working conditions and rest. After all, it is in the public interest.

Comrade Wladyslaw Honkisz, director of the PZPR Central Committee Department for Cadre Policy, disclosed in a TRYBUNA LUDU interview that he in fact could be suspected of idealism, but he deeply believes that the governing party is capable of training such management cadres at all levels, cadres that will not discredit the party.

I do not know if this will correspond well with the Central Committee director's dream, but I am reminded of the reply of a worker at a large Silesian plant that I noted years ago as a reporter.

"We do not expect the director to greet and kiss us every morning at the factory gate. We do not need a director for companionship, only for work. We do not have to see him all the time. But at all times we must feel his presence, his concern and his work as exemplified by good organization, proper supplies, increased demands and discipline, and decent occupational health, safety and social conditions. And also increasingly better wages for better work.

And if sometimes he accompanies the crew for a beer, that would not be bad either ...

#### BIBLIOGRAPHY

1. MATERIALY I STUDIA, No 49, Warsaw 1985, Institute of Management Organization and Cadre Improvement.
2. ZYCIE GOSPODARCZE, No 36/85 and No 30/86.
3. Material from the conference entitled "Shaping the Attitudes of Management Cadres" organized by the PZPR Central Committee Department for Cadre Policy at Wiezyca November 26-27, 1986.
4. "Management and Salaries in the Opinion of Directors," CBOS Report, December 1986.
5. Material of the 3rd Plenum of the PZPR Central Committee, December 1986.

11899

CSO:2600/357



## COMMENTARY ON REFORM EFFORTS, PUBLIC OPINION

## Defense of Public Attitude to Reform

Katowice GOSC NIEDZIELNY in Polish No 4, 25 Jan 87 p 8

[Article by A.W. "At the Margin"]

[Text] Among the paradoxes of our life, economic reform is seemingly one of the most paradoxical. Stage II of the reform has been announced, and it is being propagated with much hubbub, even during the TV New Year's Eve Cabaret. However, it is difficult to understand what is going on here (perhaps that is the whole point). After all reform is supposed to be based on expanding the free market, rapidly limiting central planning, making enterprises truly independent and so on. If enterprises compete on their own, then perhaps their profits will improve, and they will have to introduce innovations, organize better, be frugal, lay off superfluous people and the like. That, in any case, is what Professor Zdzislaw Sadowski writes, who was until quite recently a vice minister for reform and lately the president of the Polish Economic Society. In ZYCIE GOSPODARCZE, No 4, he emphasizes that real reform was implemented and enterprises have achieved legal independence, except that certain peculiar difficulties have arisen hindering their independent and economic operation. Chronically ineffective units should be eliminated, but they are not being eliminated. Small enterprises should be formed, giant enterprises should be broken up, and the market should be demopolized. But these are not being done. In his conclusion, the professor-president expresses hope that "we will overcome inertia and defeatism ... broaden the spirit of cooperation and national understanding, and we will cease to scheme and undermine, cease encouraging disbelief and pessimism." I admit that I do not scheme or undermine and do not feel undermined, but my pessimism and disbelief are growing. Although I like and study paradoxes passionately, I do not understand this one. Perhaps the professor-president is well informed. I personally confirmed that he is on a first-name basis with VIPs, that he is one of them, and that he has reached some kind of understanding with them. At the same time, however, I admit that what he says and writes has very little in common with what was said about the economy and plans for the very near future at the last plenum or at the Sejm December session. I do not recall anything important being said at the above plenum or session about demopolization, the break-up of large enterprises, disbanding the associations, placing limits on the Planning Commission or bankrupting

inefficient enterprises. There were many appeals and prescriptions of a moral and ideological nature concerning productivity, economizing and certifying job positions, but practically nothing was said about economic constraint (or constraint by the government). No tasks or time limits were established. Thus, if we merely have to continue to improve something, why is it not improving?

The "inertia and defeatism" that the professor-president writes about is a fact and hardly paradoxical; it is completely natural. Reform, that is, changing management regulations and methods, is not in the interest of many people at various government and management levels. They are a small minority in society but a decisive factor in the reform, because they can block the reform. What is more, these people often cite public opinion, stating that the majority of the public is apprehensive about reform and the perturbation it will generate. The ministerial-level government spokesman even read triumphantly the results of some such poll which I already wrote about in this column. However, it turns out that the substantial research conducted not too long ago on a national scale do not confirm these public apprehensions. There are many apprehensions, obviously, but different kinds. On the other hand, I heard a report on this research that was given at Warsaw University. Based on this report, 75.5 percent of the people in Poland want to accelerate the reform; 63 percent want to strengthen and expand self-governments; 82 percent support expanding the free market and competition; 70-80 percent approve greater pay differentials based on work output; 82 percent believe ineffective workers should be fired; and 50-60 percent support the expansion of private enterprise. It should be noted that in addition to the above quite a large number of people did not answer negatively to the poll questions but were undecided. Thus, few oppose the reform. However, it should be added that about 30 percent of the people favor revamping central planning and increasing political control over the economy.

Thus, it can be said that although not everyone still understands that the reform means in practice, it is not the public that is hindering its implementation.

#### Critical Response to Catholic Weekly Article

Wroclaw GAZETA ROBOTNICZA in Polish 3 Dec 86 p 2

[Article by Tomasz Szymanski: "The Myth of the Second Stage of the Reform, or Guarded Hope"]

[Text] Jerzy Surdykowski's extensive article "The Economy At the Crossroads," TYGODNIK POWSZECHNY, 30 November 1986, is not the first TYGODNIK POWSZECHNY article (I am pleased to say) encouraging peaceful and objective discussions, which not too long ago was quite difficult and which, as it turns out, is possible. Surdykowski's text allows for a pinch of 'dialogue-like' optimism.

Since it concerns the economy, there is much to discuss, that is, as emphasized by Surdykowski and with which I personally agree, the most important "real Polish problems intertwined in a single tangle."

But my agreement is not limited exclusively to the above general statement. I also agree with the author of "The Economy at the Crossroads" when he states that the state of the economy "does not encourage optimism." In addition, beyond several details unworthy of mention, I also agree with the general justifications of the above thesis. I also admit that the author is right when he states that what he writes about "stagnating growth trend, diminished export capability or bad structure for investing can also be read, though without political proposals, in ZYCIE GOSPODARCZE, in PRON's 'Public Report on Economic Reform,' in publications issued by the Economic Advisory Council, and in many other publications."

Of course one can, but without political proposals, precisely! Is it not a fact that these considerations about the economy by "opposition publicists writing in a Catholic publication because other possibilities are lacking" (I would not say that about TYGODNIK POWSZECHNY—T.S.) were written, in general, not to heal the economy but to formulate and propagate these political proposals (invariably under the banner of separating the economy from politics)? To date has this not been the main and one and only barrier to conducting a reasonable dialogue?

But let us forget that which was. Let us consider what should be. Surdykowski states that Poland's economy should receive as quickly as possible a "great and bold pro-reform push." In conjunction with this, he expresses the hope that the second stage of the reform, announced at the 10th Party Congress, will provide this push. He also has his ideas how this second stage should proceed and on what it should be based. Namely, he writes about market economy, competition, capital market, currency exchange and the like.

These are subject matters worthy of discussion with the author, asking him this and that, perhaps arguing a bit. The first doubt to appear is: What are the real possibilities of introducing all of the above at once based on a radical "strong push?"

"Of course," acknowledges Surdykowski, "one can argue about the political and social costs of a bold decision. Not only will many bureaucrats lose their positions and influence, but idlers will no longer be left in peace. It also will mean inequality, swift promotions for the able and resourceful, and temporary unemployment for the less fortunate."

The words were stated casually, somewhere near the end of one of his expositions. Two sentences later on he states: "And here is precisely the place for socialist policies regarding the question of strategic planning, the creation of new jobs, social welfare, and stimulating the development of the underdeveloped. Room for an extensive professional discussion is not in the least new economy." Surdykowski does not expand on this subject.

In the meantime, discussions about the extent of the "push" and the degree of boldness of the solutions are barely considered, but should be!

Well, what about a reply to the question: What will happen with those "temporarily unemployed" before new jobs are "carved out" for them when



"carving out" means that a new factory must be built? From what? When? With what?

And what about this "small trifle": a market economy in addition to exchangeability of currency are nothing more than the equalization of domestic and world prices. After all, it was so written in the "Direction of Economic Reform" that was adopted at the 9th Congress. If you please: a ton of coal on world markets now costs about \$40. Should we propose that people pay over 8,000 zlotys in exchange for an enigmatic promise to "stimulate the development of the underdeveloped"? We need an answer to the question: What will happen before our hourly wages can approach world levels while our prices will reach world levels immediately because of the "strong push" and "bold solutions"?

Because of what I write above, it could be that Surdykowski will dub me as a "false friend of the people," but in truth I perceive no public willingness (though at this very moment I wish I was wrong) to accept, without murmur, the said "bold push." Thus, I believe it is necessary to achieve more quickly that heretofore the desired model described in "Reform Directions," but it should be done gradually, even with all the known negative consequences of such a procedure.

I believe even more so, and this is another question worthy of discussion with Surdykowski, that the realization of his postulates would not automatically guarantee a rosy future for the Polish economy. They would not be a salvation for such a large economy organism such as our country is.

For example, he recommends: "Throw away all dogmas in the sphere of management, separate management from politics, allowing all economic initiatives--state, self-government, cooperative, foreign and private--to be equally legal." With due respect for private, foreign and mixed initiatives, and fully appreciating their role in supplying the marketplace, they will not lead the economy out of its crisis, and the primary burden of this task should not rest on them.

In the meantime, to revitalize state enterprises it is not so much that we need to reject dogmas as much as we need to supply them with parts, raw materials, fuel, energy, funds for new technologies and so on. Thus, it is not clear that these problems would disappear automatically by eliminating subsidies or implementing the following recommendation:

"State enterprises should be organized on commercial principles and be capable of competing; if they cannot compete, they fail and should be sold."

Of course, subsidies should be eliminated, and this will be done. Also, competition should not be disregarded. But we should also ask ourselves: What will happen if, let us say, a cement or truck factory is not competitive? After it fails, who will produce these trucks (cement) for us? Perhaps we will purchase them abroad. With what? And who will buy such factories?

And while we are on the subject of competition, it worthwhile to cite Aleksander Bochenski's opinion as stated in his article "An Effective



Management System" (ZDANIE, No 10). He said that under our present conditions competition is simply impossible. "For new plants to arise that are competitive with old ones, large amounts of free capital must be available in the investment market. But we lack resources for even the most modest repairs and modernizations. Comparing competition with the production of vegetables is inconclusive because we have plenty of ground to plant vegetables but insufficient resources to build automobile, cement and furniture factories and so on."

I cite the above knowing how much I must be displeasing Surdykowski. He says that Bochenski "offers economic views that he undoubtedly learned at a Prussian infantry officers school." However, it is worthwhile to reflect on the above opinion of the known publicist, especially since the legend of competition appears most conspicuous when no competition is tolerated.

Obviously, none of the questions or doubts expressed here is aimed against the reform. Reform, the striving for different locomotives of economic expansion that are able to keep pace with the requirements of an intensive economy, has become an inevitable necessity. And not only in Poland, as is known. Hungary has been reforming its economy for a long time. The Soviet Union and the Chinese Peoples Republic have taken the reform road. Other socialist countries are implementing many new solutions, often quietly and without fanfare. Such concepts as marketplace, competition, hard financing and the like have not frightened anyone for a long time and are foreign to no one. It is certain that we will have our second stage. After all it was so proclaimed at the highest party forum.

However, we should not encompass this second stage with various illusions, excessive expectations and naive hopes. Economic reform is not something that can be realized fully in Poland immediately. The notion that reform could proceed painlessly and produce an almost immediately profuse stream of all kinds of goods available to everyone without difficulty is a great misunderstanding. The contrary is true.

Remaining silent about this or almost shamefully mentioning it as an aside, speaking generalities about the second stage and about its many difficulties, the wish that this second stage is merely a short spurt, only a "bold push" and we will find ourselves in the Eden of eternal happiness, is nothing less than inflating another bubble of illusions. A bubble, as is known, that must burst, just as they burst previously and with the same known results.

The first sentence of Surdykowski's article reads "The time for guarded hope has arrived." My reply is : we should be even more guarded in our hope.

#### Reform Viewed as Much Talk, Little Action

Warsaw ZYCIE WARSZAWY in Polish 24-25 Jan 87 p 3

[Article by Stanislaw Kwiatkowski: "Reform and Not Agitation"]

[Text] There is no need to talk up economic reform. People are discussing it on their own, especially when they become upset about poor management,

disordered organization and shocking waste. People associate reform positively with a change for the better and with hope. After all, how can one not pine for reform with our overabundance of economic pathology; when wages are not always linked with work; while the use of materials remains high and productivity low; and the consumption of material depends on good will, is not controlled and wasteful. How can one accept the absurd work disruptions caused solely by someone forgetting something or not providing supplies, even if it is one of his elementary obligations? Or because of a fuse that takes one-half hour instead of a couple of minutes to replace because no one else is allowed to do this simple job except an electrician. Changes are sought there where the directors, foremen and white-collar workers are, and not among the workers directly involved with production, where more work should be done than is, but where retirees and pensioners are employed; where work discipline is getting worse despite increased supervision, and more porters and guards; where state funds are squandered without scruples, money is spent on office luxuries; and where shams, pretexts and schemes are employed.

Polish opinion concurs with the need to reform, improve management and organization, and to counteract pathology in production operations. The need for change is so great that it is being claimed that the tempo of the reform is too slow, and there is suspicion and charges that there is a desire to renege on declared goals. Reform is considered as a test of the government's credibility. Any kind of a hasty move by the guides of the national economy is enough to set off loud alarms about renegeing, a lack of concept, intentional sluggishness and sham actions. Let us remember that such fears and doubts increased at the end of 1986, and only the resoluteness of the 3rd Plenum of the PZPR Central Committee and the announcement of the second stage of the reform calmed emotions and criticisms.

Considering the great need in the public's mind for specifics and measureable results, too much is being said about the reform and too little actually being reformed. The conviction about the approach to reform being verbal is based most certainly on the fact that the first steps toward reform were legal acts, that reform began with regulations on standards delineating the desired status and discipline needed to ensure presented goals. Thus the beginning was of an intentional nature, derived from apt but primarily theoretical prerequisites.

Whatever one cannot say about reform work accomplished to date, it must be admitted that this work demonstrated to many people the scale of needed changes, convinced one of the anachronisms of economic habits and behavior in the sphere of management, in the practices of enterprises, and thus had an unquestionable effect on changing people's minds. In this way, even in arguing what it should be like, in contrast to the real state of things, it set into motion mechanisms for self-criticism and pretensions regarding economic practices.

In the public's mind, reform "on paper," the multiplication of laws and instructions and conferences dragged on too long. The reform "preceded from above," step by step, through the entire bureaucracy. But activity "below," in the enterprises, was reduced to evaluating the "above," to criticizing it for

its tardiness, and complaining about the lack of progress and results, and the slow tempo. After years and years of government paternalistic conduct, one became accustomed to assume that the "upper echelons" have obligations, that everything depends on "the top." Thus, the government is also implementing the reform. In the real situation, considering the many psychological barriers, it is difficult to expect the reform to be identified with the reformers.

When the reform started to effect workers more and more, it turned out that the expected changes for the better did not always materialize, that they failed to meet expectations because, for example, it hurt the pocketbook. Along with the well-known production difficulties, shortages of raw materials and faulty cooperation, there was nothing to brag about, and confidence in initiated actions was lacking. Something else was expected, changes that were more beneficial and radical. Thus, the critical, sceptical attitudes and the increase in doubts.

Thus the first stage of the reform was quite different from what people imagined. There was much discussion about reform but little real action in the enterprises. Arguments about paragraphs and principles were more frequent than concern about people. The old mistakes of the economic bureaucracy and the technocratic inclinations of our managers, including those in the enterprises and at the primary levels of management, were exposed.

I believe the second stage of the economic reform should concern above all influencing people involved in the economy, creating conditions so that they want to and feel they are working for their own good. This is a transition from a managing society to an economical society.

Most management cadres and economic administrators at all levels have engineering educations. It could be that they tend to view their subordinates and society as mechanisms that are regulated by twisting knobs; apply a little pressure here, a little less there and the "end result" will be the desired one. The new regulations are supposed to revamp the economy; instructions are supposed to change people. But in general, in the opinion of some managers, everything would be simpler and easier if it were not for the resistance of people; a market without problems would be in equilibrium if the possibility of social dissatisfaction did not exist; reform would be quicker if the public's knowledge of the economy was better. It turns out there still is no lack of those eager to entertain by telling fairy tales about the good authorities and the bad public.

The paternalistic and technocratic treatment of the public manifests itself in the tendencies to moralize and instruct. Thus, there is much obtrusive didactics, agitation for that which is universally anticipated, for example, setting the economy in order. It is not surprising that such "moral restoratives" and exhortations generate results opposite to those expected. It is upsetting.

Getting involved with the economy means getting involved with people involved in economic activity, that is, playing the economic game at that level where productivity and quality are determined, where the power dormant in people's

initiatives and industriousness , in their creative ideas and desire to participate is not utilized.

I believe the second stage of the reform will be a more complete approach, taking into consideration the tangle of social, political and economic conditions, which is more difficult.

11899

CS0: 2600/357



## TRADE UNION OFFICIAL FEARS SPREAD OF CAPITALISM BY RETURNEES

Zagreb DANAS in Serbo-Croatian 27 Jan 87 pp 25-26

[Interview with Zvonimir Hrabar, member of the Presidency of the Federation of Trade Unions of Yugoslavia, by Djuro Zagorac: "Fear of Capital"]

[Text] The World Bank did not comply with Yugoslavia's request that it approve a loan of about \$270 million. This has to do with loan funds that the bank gives to individual countries so that they can carry out "structural adjustment" in their economies more painlessly. That decision was received with a great deal of surprise in financial circles, since that bank approved such a loan for our country three years ago, and since generally speaking, Yugoslavia has cooperated correctly for several years with that financial institution.

Given our general situation and the level of our foreign debt, this is a "little loan" that is negligible. More important than the loan itself is the explanation for the negative response: the request will be approved when the Yugoslav government "settles the economic situation in the country." Certain conditions are thus being set that must be met before this bank will loan funds to one of its members. The most important conditions are introducing a positive real interest rate, and carrying out a liberalization of controls on prices and exports. The World Bank did not heed the explanation by our experts that Yugoslavia fervently desires to introduce a fully realistic financial and economic policy for its economy.

Even before this loan application was requested, rumors were spread that foreign creditors had "given up" on the Yugoslavs and that they were "waiting for" them in 1988, when they would "bend their ears." Next year, in fact, the arrangements for rescheduling a considerable portion of our debt will expire, and we will have to pay the price for the two-year respite. It is difficult, however, to predict what the actual developments will be. A great deal of this still depends upon us ourselves, but our ears really could turn red, and we should take that into consideration.

It is not important whether this is one of the reasons why President of the Federal Executive Council [FEC] Branko Mikulic recently invited a number of our people who have been commercially successful abroad, and wanted to hear what they thought about the possibilities for them to participate themselves,

with their money and knowledge, in the development of the Yugoslav economy. This had to do with a patriotic summons, but even more with the need to eliminate the obstacles to real financial profit for the investors.

### Prediction and Mistakes

The above-mentioned activity by the FEC and its president has a realistic basis. It has been reliably stated that our "Gastarbeiters" have a capital surplus that exceeds \$20 billion, which they would invest in development, but only under certain conditions. The return of these people of ours would be significant for the crisis situation, not only because of the money they possess but also because of their "golden touch" and the work habits they have acquired. The involvement of these citizens of ours could become an important stimulus for development, and then for the creation of a real possibility that the crisis could be surmounted within a reasonable period. Small business, but with great possibilities for work and earnings, will be offered to private capital and private initiative.

They say that the response and attitude of our "businessmen" exceeded all expectations. There are those (and they have publicly announced this) who are prepared to start work immediately, to open new and modern factories employing hundreds of workers; some optimistic predictions go so far as to claim that a private-social "coalition" in the economy would resolve all of Yugoslavia's economic and financial troubles in 3-5 years, from debt and backwardness in technological development to solving the problem of the present unemployment of a million people. The question that is immediately posed is as follows: are the demands justified, and are the predictions realistic?

"It is a mistake to think that our returnees from abroad can get us out of our economic crisis with their capital, on the basis of private ownership of the means of labor"--that is the opinion of Zvonimir Hrabar, a member of the Presidency of the Council of the Federation of Trade Unions of Yugoslavia (he has also been the president of the Croatian Trade Union), who was the first one to comment negatively on the above-mentioned meeting of the "foreigners" and the FEC president.

The statement by this high trade union official aroused a great deal of public interest, but the commentaries differ--from those saying that these are the "mistakes of a dogmatist" and an obsolete dream of a "socialist paradise" based solely on social ownership, to those which fully support him. In an interview, Hrabar explained to us in detail what bothers him most about the above-mentioned activity and what he is particularly arguing against:

"Immediately after Mikulic's talk with our successful businessmen from elsewhere in the world, I heard comments that those people had "given us a lecture" about what we should do and how. That personally bothers me, because I am quite familiar with everything that has been said at the congresses and other important meetings, and is still being said, by our miners, engineers, professors... We have examined our situation and agreed on what we should do and how. The fact that we are not consistently carrying out what we have agreed on is another issue."

Without disputing the need for the meeting at the FEC or downplaying its significance, Hrabar is quite precise in his commitment:

"I am not in favor of opening large private factories in Yugoslavia, because they could really threaten social ownership and self-management. I am convinced that the Yugoslav working class, or the largest portion of it, is also opposed to this."

[Question] What do you think--how, then, should we induce people to come back to us, with money, but also with enormous experience and knowledge, which are equally significant? At the same time, those Yugoslav citizens are justifiably seeking a place in their homeland for themselves and their children; how can this desire and right be realized?

What Would Be...

[Answer] They can do this in two ways, through small business, by securing personal means of labor, and through the pooling of money and the means of labor with the socialized sector. I am thus advocating the existing constitutional forms of ownership, and I am only against the "saviors" who would accomplish everything if they were given a "free hand" with respect to workers and society in the broader sense. I know from my own experience that those frameworks are quite sufficient to fulfill the ambitions of the majority of our citizens temporarily working abroad. There are few of them who would like to open factories with several hundred workers and have a "free hand" in hiring and firing; they would chase profits, and they do not care too much whether they get them in their native country or another one.

[Interviewer's comment] Hrabar is one of those people who are afraid that the introduction of a strong private sector would lead to widespread exploitation, and thus to a completely different production relationship than the present one.

[Question] But isn't it really all the same whether a private businessman exploits one, 10, or 300 workers?

[Answer] Yes, the same capital-relationship with the exploitation of someone else's work is created in all cases. Private businessmen with a large number of employees, however, would also open up other issues: they would certainly not hire only the unemployed, but rather the best people from the socialized sector. They would no longer have any place for the weak and the less capable, and they would only become a burden for the socialized sector. In an area where such huge private installations would be built, the owner would become such a powerful person that he would soon be selecting his own opstina presidents, secretaries of internal affairs, his own inspectors... One must admit that this would be a different society from the one that we are building and that has been established by the Constitution.

[Question] They say that could happen... Our successful businessmen will create and invest throughout the world, and keep their savings in foreign banks, while we will still be suffocating with debts and problems.

[Answer] Those considerations are the ones that concern me the most. A large number of young people are convinced that our "salvation" is in private ownership and initiative, and that one can earn more with private businessmen both here and abroad. Opening a private cafe has become the ideal of many successful athletes and other creative people. Let us understand each other: it is necessary to separate dogmatic ideas and fear of small business and private investments from the justifiable apprehension that unrestricted private initiative will threaten the foundations of social ownership. We must first of all change our attitude toward the returnees; for example, we envy them when they appear with a luxury car, with a natural desire to impress their native region, but we do not criticize such a "native" person; we declare him to be "clever" and "capable." But there is nevertheless a difference between them: the former really earned it through his work, while that would still have to be ascertained of the latter.

[Question] In regard to private ownership and private activities, agriculture and the village offer a great chance in view of their needs; these solutions have even been "designed" and are the most important institutional ones. Is there also a "fear" of exploitation and enrichment in regard to this?

[Answer] As a result of mechanization, today the 10-hectare maximum area has become too small for efficient cultivation and market production. In that regard, let us say, we are having a difficult time in deciding to expand private holdings, although this is socially more justifiable than unrestricted expansion of the private sector where the socialized sector is largest and strongest.

[Question] You firmly believe in the socialized sector, even though during the crisis years its strength has been weakening more and more obviously. You yourself say that every 13th Yugoslav organization is operating at a loss, that the number of work stoppages is increasing, and that fewer and fewer people can be employed in that sector. How can one explain this?

Who Is Favored?

[Answer] It is high time for us to free the socialized sector from the excessive restraints and supervision that have been imposed on it, from intolerable allocations to the conduct of personnel policy. If we do not remove these fetters from the economy and furthermore also give the private sector a favored position through customs and tax relief, what will happen will be what has to happen in such situations: along with everything else, the socialized sector will also finance the development of the private sector, to its own detriment. That is because at the same time the socialized sector will allocate the same or larger amounts for general and joint expenditure, its extremely critical position will deteriorate even further, and then this will serve many people as evidence that the private sector is more successful and more efficient than the socialized one.

[Question] How, then, can one explain the criticisms that private businessmen allocate more, on the basis of taxes, contributions... than the socialized



sector, and that society must treat them as equals if it wants to accelerate the development of small business and private initiative?

[Answer] It is necessary to look at what one sector earns for the same work, product, or service, as compared to the other, and then see what is left for whom. There is no doubt: the private sector has a definite advantage. About 250,000 workers are now employed in the private sector. It is easy to determine and compare what they get, from the amount of the contribution for miscellaneous insurance to the allocation for apartments, and what the same number of people in the socialized sector get, and then compare their success in business.

[Question] You are particularly concerned because nothing is being done to protect socialized property; its "transfer" into private hands is assuming major dimensions. What can be done here?

[Answer] Last week the public was told that 10 or so people at Jugoput stole, through charging fares, so much money that five kilometers of a new highway could have been built. But nothing happened to anyone. The worst off were the workers who discovered this and reported it. There are hundreds of such examples; what are those who are paid just to protect social property doing for us?

Hrabar, in view of his courage [HRABROST in Serbo-Croatian], can count on significant support, but also on numerous opponents, we feel certain, especially among the unemployed, and everyone who wants to work, but is seeking just compensation for the work; among those who have already ceased to care whether they are exploited by private businessman Pero or whether they are "suffocated" in the socialized sector by Pero and Ziko, as his subjective force and vanguard. In short, Hrabar does not favor any alternative concept of economic development other than the one established by the framework of the Constitution and the ZUR [Law on Associated Labor], with the comment that he wholeheartedly supports the activities involving changes to specify the rights and obligations of everyone, including direct producers.

9909

CSO: 2800/128

## DECREE ON CHANGES IN LABOR CODE STATUTES

Warsaw DZIENNIK USTAW in Polish tem No 201, 6 Dec 86 pp 609-612

[Article: "The Law of 24 November 1986 on Revising the Labor Code Statute]

[Text] Art. 1. In the law of 26 June 1974, the Labor Code (DZIENNIK USTAW, No 24, item 141; 1975, No 16, item 91; 1981, No 6, item 23; 1982, No 31, item 214; and 1985, No 20, item 85 and No 35, item 162) section seventeen reads as follows.

## SECTION SEVENTEEN

## Collective Labor Agreements and Collective Plant Contracts

Art. 238. Par. 1. A collective labor agreement, henceforth called 'agreement,' is concluded for workers employed in workplaces associated with a given profession or branch of labor.

Par. 2. After obtaining the concurrence of the national inter-union organization, the Council of Ministers designates, via a decree, the professions covered by agreements.

Art. 239. An agreement designates:

- 1) the conditions for compensating workers and granting other work associated benefits;
- 2) the working conditions associated with the characteristics of the profession or branch of labor, including the rights of workers justified by the character of work in a given profession or branch of labor;
- 3) the rules and forms for shaping occupational health and safety, social-living and cultural conditions in the workplaces;
- 4) the mutual obligations of both parties to the agreement concerning the rules and forms of cooperation regarding its application.

Art. 240. Par. 1. The provisions of an agreement must be in accord with legal regulations and the social and political policy of the state established by the Sejm in the national socioeconomic plan.

Par. 2. To realize the central policy on wages and benefits established in the national socioeconomic plan, the Council of Ministers, after obtaining the concurrence of the national inter-union organization, designates the rules for determining compensations in workplaces and other benefits and rights associated with work.

Par. 3. An agreement may designate worker rights that are more extensive and beneficial than those regulated universally and uniformly in the Labor Code regulations or other regulations if so justified by the specifics of the profession or working conditions or if authorized by the Code or other regulations.

Art. 241. Par. 1. For workers employed in workplaces entitled to use plant compensation systems, the agreement, in designating the conditions for compensating workers, establishes the minimum rates for basic compensation and the rules for granting them. An agreement may also designate other compensation components, especially those justified by the character of work in a given profession or branch of labor or by other specific needs as well as components contingent on work output; an agreement establishes the minimum amounts for these components and the rules for granting them.

Par. 2. For workers employed at workplaces not mentioned in Par. 1, the agreement designates detailed conditions for compensation and granting of other benefits associated with work in the given profession or branch of labor in accordance with the principles designated by the Council of Ministers by virtue of Art. 79.

Par. 3. Supplements to compensations and other benefits are designated in the agreement as a percentage of the minimum compensation of workers in socialized workplaces or of the minimum compensation designated in the agreement.

Par. 4. Compensation for down-time that is not the fault of a worker and premium for overtime work may be specified in an agreement but may not be less than that specified in Art. 81, paragraphs 2-4 and Art. 134, Par. 1, and no lower than the compensation discussed in Par. 5.

Par. 5. It should be understood that the minimum compensations of workers employed by socialized workplaces means those minimum compensations designated by the Council of Ministers by virtue of Art. 79 on 1 January of the given year.

Art. 241/1. In designating the rules and forms for cooperation in implementing an agreement, the parties to an agreement may specifically establish:

- 1) the procedure for periodically reviewing the functioning of the agreement;
- 2) the procedure for clarifying the content of the agreement and for resolving disputes between the parties in this area;

3) the mutual obligations concerning observance of the agreement's provisions.

Art. 241/2. Par. 1. For workplaces, an agreement is concluded by the competent organ mentioned in Par. 2, and for the workers --by the national union organization.

Par 2. The organs concluding agreements for workplaces are:

1) for state enterprises-- the competent minister (central administration director) after the contents of the agreement are reconciled among the representatives of the enterprise organs appointed by him, and the representatives of the competent union organization; the conclusion of an agreement by the minister (central administration director) must be approved by the organs of the enterprises affected by the agreement;

2) for state plants not mentioned in point 1--the competent minister (central administration director);

3) for cooperative organizations--the competent statutory organ of the central cooperative association;

4) for national social organizations involved in economic activity--the competent statutory organ for these organizations;

5) for non-socialized workplaces--the competent statutory organ of the central association or the association of these workplaces.

Par. 3. If several national union organs are involved in the designated profession or branch of labor, the union organizations may designate a joint representation to conclude an agreement.

Par. 4. Any one of the parties may initiate the conclusion of an agreement.

Art. 241/3. Par. 1. The agreement must be in writing.

Par. 2. An agreement may be for a specified or unspecified time.

Par. 3. The parties to an agreement concluded for a specified time may extend its legal validity for a specified or unspecified time. An extension must be made before the legal termination date of the agreement.

Art. 241/4. Par. 1. An agreement is terminated within:

1) the time-limit agreed to by both parties;

2) at the expiration of the notice of termination period specified by one of the parties to the agreement;

3) with the expiration of the time period designated in the agreement;



Par. 2. Notice of termination of an agreement must be in writing; the notice period may not be less than 3 months and should terminate at the end of the calendar or fiscal year.

Par. 3. If an existing agreement is terminated or a termination notice is issued, the parties should immediately establish a new agreement. The existing agreement remains in force until a new agreement is concluded by the parties or the legal validity of the existing agreement is extended, unless the parties, having no intention of concluding a new agreement, establish a different obligatory time-limit for the existing agreement.

Par. 4. If an agreement is incompatible with the social and economic policy of the state as a result of the enactment of a subsequent national socioeconomic plan or changes thereof, the parties should conclude a new agreement or make appropriate changes in the existing agreement. Conflicts in this area are resolved by the commission mentioned in Art. 241/7, Par. 4. The competent organ mentioned in Art. 241/2, Par. 2, is required to initiate the agreement changes.

Art. 241/5. Par. 1. Changes to an agreement are implemented via supplemental protocols.

Par. 2. Regulations concerning agreements apply as appropriate to supplemental protocols.

Art. 241/6. Par. 1. The agreement applies to all workers employed in workplaces encompassed by its provisions, unless the parties decide otherwise in the agreement.

Par. 2. The competent organ mentioned in Art. 241/2, Par. 2, and the national union organization may conclude an understanding to accede wholly or partly to an agreement to which they are parties. The appropriate regulations concerning agreements apply to these understandings.

Par. 3. On the motion of the national union organization, the minister of labor, wages and social service affairs may, via a decree, extend the application of a designated agreement to workers of plants not covered by any agreement, adapting its provisions to the working conditions of these plants.

Art. 241/7. Par. 1. An agreement is subject to registration by the minister of labor, wages and social service affairs within 3 months of its submittal for registration.

Par. 2. The agreement may be registered after the minister of labor, wages and social service affairs declares that its provisions are compatible with the law and the social and economic policy of the state established by the Sejm in the national socioeconomic plan, and with the principles designated by the Council of Ministers by virtue of Art. 240, Par. 2.

Par. 3. If the minister of labor, wages and social service affairs declares that the agreement submitted for registration is incompatible with legal

regulations, each party may request the Supreme Court to resolve the dispute. The Supreme Court hears the case in a non-litigious procedure.

Par. 4. If the minister of labor, wages and social service affairs declares that the agreement submitted for registration is incompatible with the social and economic policy of the state established by the Sejm in the national socioeconomic plan, or with the rules designated by the Council of Ministers by virtue of Art. 240, Par. 2, on the motion of one of the parties to the agreement, disputes in this area are resolved by a commission, 50 percent of whose members is selected by the Presidium of the Government and 50 percent by the competent organ of the national inter-union organization. The commission resolves disputes without needless delay within a time limit not exceeding 3 months.

Par. 5. An agreement comes into force within the time limit specified in the agreement, but no earlier than the registration date or the agreement.

Par. 6. On the date an agreement comes into force, its provisions supersede as appropriate the provisions of labor contracts based on previously obligatory regulations, and for the workplaces mentioned in Art. 241, Par. 1, on the date the collective plant contract becomes effective in accordance with the regulations of chapter II.

Par. 7. The regulations of chapter 5 of the law on trade unions are not applicable during the period the parties are coordinating the draft agreement, during registration proceedings, or while resolving disputes per the procedures designated in paragraphs 3 and 4, concerning the provisions of the agreement.

Art. 241/8. Provisions of agreements, subject to Art. 241/11, Par. 2, are legally valid for all workplaces encompassed by the agreement.

Art. 241/9. The Council of Ministers, with the concurrence of the national inter-union organization, designates, via a decree, the specific procedures for concluding, dissolving and registering agreements.

## Chapter II

### Collective Plant Contracts

Art. 241/10. Collective plant contracts, henceforth called 'contracts,' are concluded by the workplaces mentioned in Art. 241, Par. 1.

Art. 241/11. Par. 1. A contract includes:

- 1) the tasks associated with realizing the plant's plans in the area of creating conditions to increase labor efficiency, to improve the plant's operating results and to strengthen labor discipline;
- 2) the plant compensation system, establishing the detail conditions concerning wages and other work-related benefits; the rules for creating plant compensation systems are established in separate regulations;

3) the detailed rules concerning working conditions and applying the other provisions of the contract, based on and within the framework of rights anticipated in the contract.

Par. 2. The provisions of an agreement concerning compensations and other benefits anticipated in the agreement can be included in a contract providing the workplace has earned the funds in accordance with the principle of self-financing.

Par. 3. A contract can include compensations and benefits that are greater than the minimums established in the agreement if the workplace:

- 1) has earned the funds for compensations and benefits in accordance with the principle of self-financing;
- 2) uses production quotas in accordance with the rules designated in Art. 83;

Par. 4. The regulations of Par. 3 are not applicable to a workplace involved in liquidation or bankruptcy proceedings or proceedings designed to improve its management.

Par. 5. A contract can designate that the rules designated in Art. 241, Par. 4, can be used to compute compensation for down-time that is not the fault of the worker and premium time for overtime work.

Art. 241/12. Par. 1. For the one side, the plant union organization concludes the contract and, for the other side, the plant director, after obtaining the opinion of the workers' council and the approval of a general meeting of workers (delegates).

Par. 2. The contract parties together with the workers' council establish the method for obtaining the opinion mentioned in Par. 1.

Art. 241/13. Par. 1. A contract must be in writing.

Par. 2. A contract is subject to registration with:

- 1) the sponsoring organ;
- 2) the central administration of the cooperative association;
- 3) the competent organizational unit supervising the workplace

after the draft of the contract is ascertained to be compatible with legal regulations and the stipulations of the agreement, and after obtaining the opinion of the competent national union organization.

Par. 3. If registration is denied, the contract parties and the organ authorized to register it are required to initiate immediately talks to resolve the incompatibilities between regulations and contract stipulations. If the talks do not resolve the incompatibilities, any of the contract parties can demand conciliatory proceedings be instituted. The

conciliatory proceedings are conducted by a commission half of whose members is chosen by each party to the dispute and is chaired by an invited arbitrator who has legal training.

Par. 4. The conciliatory proceedings should resolve differences within 14 days. The parties to a conciliatory proceeding may establish a different time-limit. If the conciliatory proceedings do not resolve the differences, any of the contract parties may demand resolution of the dispute by a court.

Par. 5. The disputes mentioned in Par. 4 are judged by regional courts--labor courts having jurisdiction in the area where the plant is located, in a non-litigious procedure.

Art. 241/14. A contract is effective the day it is registered, unless the contract parties designate a later effective date.

Art. 241/15. Par. 1. A contract is concluded for the plant's obligatory period.

Par. 2. The parties concluding a contract can establish a period other than its obligatory period.

Par. 3. A contract change occurs in the provided manner up to its conclusion and registration.

Art. 241/16. Par. 1. In matters concerning the conclusion and dissolution of contracts, in areas not regulated by the regulations of this chapter, the appropriate regulations of Art. 241/1; 241/3, Par. 3; 241/4; 241/5; 241/6, Par. 1; and 241/7, paragraphs 6 and 7, concerning agreement, are applicable.

Par. 2. The Council of Ministers, with the concurrence of the national inter-union organization, designates, via a decree, the detailed procedures for concluding and registering contracts.

Art. 241/17. The regulations of this chapter do not violate the self-government rights of the workers that are based on separate regulations.

Art. 2. 1. The collective labor agreement can grant rights to pensioners, retirees and members of their families that are within the scope and extent of the rights granted to workers.

2. A collective labor agreement can maintain the existing percentage share of branch benefits in the overall compensation. A collective labor agreement may not introduce benefits not designated in existing regulations.

3. Taking into consideration the economic situation of the country, the Council of Ministers, with the concurrence of the national inter-union organization, analyzes every 2 years the extent of the benefits projected for specific professions and branches of labor, and the possibility of increasing or expanding these benefits.



Art. 3. The regulations of Art. 2 are applied as appropriate to persons who are not employed directly by the plant, especially persons doing outwork.

Art. 4. The law is effective January 1, 1987.

Chairman of the Council of State: K. Barcikowski, acting per proxy

Secretary of the Council of State: Z. Surowiec

11899

CSO:2600/366

## PRON DISCUSSION URGES OMBUDSMAN CALLED BY SEJM

Warsaw TRYBUNA LUDU in Polish 15 Jan 87 p 4

[Article by I. Cz.: "Fruit of One Meeting: Guard or Advocate?"]

[Text] On 15 January the PRON-sponsored discussion drew to a close on the future shape of the institution of citizens' rights advocate (or, perhaps, guard, as many of the parties to the discussion preferred to call the ombudsperson).

One of closing features of this public poll was the discussion recently held at the International Press and Book Club on Nowy Swiat in Warsaw, set up under the auspices of the PRON Warsaw Council. The participants to this lively exchange of views presented not only opinions that were characteristic for this meeting, but also those which were sometimes completely divergent.

The discussion focused on several questions which are fundamental for the structure of the new institution to protect the rights of citizens:

Is the institution necessary?

Most of the parties to the discussion thought so. The arguments were as follows: Because there is a great deal of license, and because although it is said that the law is the same for everyone, many institutions and offices make their decisions in whatever way they wish, the ombudsperson should begin work as soon as possible.

One of the people taking the floor, however, felt that it was unnecessary to have someone to defend the rights of citizens, because "nothing is going to change either way." There was another view that we should not create one more legal body, because of the cost. It would suffice to activate those bodies that already have the legal protection of citizens written into their obligations, such as the prosecutor and the administration of justice, and to see that intervention by Sejm deputies is more effective.

Where should it be located? What sort of structure should it have? Who should make the appointment?

Generally everyone was in agreement here. The Sejm should make the appointment. There were also proposals for PRON to propose candidates. The advocate or advocates should be appointed for a term to run concurrently with the Sejm term, should operate under the Sejm, and have access to several experts, being able to call on the help of groups of experts in concrete cases, if the need arises. There were also proposals that, alongside the central ombudsperson or -persons, there also be ombudspersons in macroregions corresponding to the old voivodships, or that the central ombudsperson have agencies in the voivodships to pass on information and complaints.

What sort of authorization and scope of issues would the future ombudsperson have?

Broad, without exclusions. As a person of public trust, the ombudsperson would have access to all matters and persons, not excluding those involving state secrets, but the ombudsperson would be obliged not to reveal those secrets. The ombudsperson should have the right to choose the cases to handle and should focus on the most important ones, but small, individual issues, such as consumer affairs, should not be avoided. Instead efforts should be made to draw out of them the issues that need to be handled, such as the underdevelopment of services, the health hazard to residents posed by certain building materials, or the poor quality of installation pipes, which have a short useful life causing premature failures which undermine residents' quality of life. One of the people at the meeting thought that the ombudsperson's duties should include intervention in matters of "legislation, law and order, and the functioning of law," but in each instance there should be a more precise description of the scope of jurisdiction, to prevent conflicts with the authority of bodies already in existence.

And as usual in this sort of general public discussion, there was a great deal of talk about what we should call this person who is to protect the rights of citizens. There was general opposition to the name "advocate." There was a preference for the old Polish term "guard," that is, one who safeguards the rights of citizens, both those rights protected under our constitution and those protected by international agreements on human rights.

Such fruit--it should be recognized as a rich harvest--was produced by one discussion meeting out of the 1,000 such meetings held on the subject throughout the country. Shortly PRON will present the result to the National Council.

10790  
CSO: 2600/472

## READER FAVORS OMBUDSMAN-PUBLIC PROSECUTOR RELATIONSHIP

Warsaw TRYBUNA LUDU in Polish 6 Jan 87 p 4

[Letter by Witold Bugajny, lawyer: "Advocate of Our Rights"]

[Text] I do not think that the social advocate to speak on behalf of civil rights will be a body endowed with the right to issue binding decisions, decisions of the administrative sort, but this will not be because there is no such need. There are various systems of decisionmaking bodies operating in our government. The thing is to have these systems operating properly and efficiently. The role of ombudsperson would therefore consist of seeing that the citizens' rights are not overlooked in the course of the proceedings before these bodies.

I think that from an organizational point of view, variant B of assumptions for the legal-organizational concept of the social institution of citizens' rights advocacy would be the most suitable and worthy of support. The structure it provides would create a more comprehensive system. Every voivodship people's council presidium should have a group of advocates under the direction of a voivodship ombudsperson. The voivodship ombudsperson would be subordinate to the national ombudsperson, who would be appointed by the Sejm and would operate within the Council of State under Sejm supervision.

I think that the conceptual assumptions are perhaps wrong to consider "solutions handled within the framework of the principle of independence" in matters, where the collective interests of citizens have been glaringly violated, to be exceptions outside the citizen advocates' jurisdiction. This pertains to matters recognized by the bodies involved in the administration of justice. It is true that the courts are independent and hand down decisions within the limits of the law and according to their conscience. In practice society may feel that the law has been violated and that conscience has been deficient. The ombudsperson would not have any influence in the court's handling of matters in a concrete case, but he or she should also have the right in these cases to appeal or alter an incorrect sentence or solution. In such cases the ombudsperson should consistently ask to participate in proceedings before bodies involved in the administration of justice.

In certain cases both the court and the administrative body should be obliged to inform the ombudsperson of its actions, either because of the nature of the



case (for example, community of interest, the case's particularly forceful social impact) or because of the person involved in the proceedings (for example, a helpless person).

I think that the ombudsperson's right to let a case rest without further action should be spelled out. The conceptual assumptions seem to imply that the ombudsperson will be guided by arbitrary considerations, and this should not be.

The ombudsperson should work in close cooperation with prosecutorial bodies, because these bodies will provide the ombudsperson with the strongest support. I think that the issue of the prosecutorial bodies' legal assistance to the ombudsperson, referred to in the conceptual assumptions, should be expressed in some other way. This assistance should take the form of one of the forms of cooperation. It would be more convenient to say: "At the request of the ombudsperson, the prosecutor will issue legal opinions in exceptionally difficult and complicated cases." Such a device would relieve the ombudsperson of being dependent on the prosecutor and would create a partnership between bodies having equal rights.

10790

CSO: 2600/472

## CHANGES IN PERSONAL I.D. CARDS PROPOSED

Warsaw RZECZPOSPOLITA in Polish 20 Jan 87 p 3

[Interview with Jozef Skweres of the Regional Government Bureau, Council of Ministers, by Wieslaw Mazur: "Personal Identification Is Enough -- Damming the Documents"]

[Text] [Question] The requirement to have many different kinds of documents when on many different kinds of business in institutions, schools and bureaus is troublesome because it takes a lot of time and effort.

[Answer] We are working on something to dam up this flood of documents. In the Bureau of the Council of Ministers recently, this subject was discussed at the first meeting of Section I of the Working Group on Public Services which is part of the Party-Government Commission on Review and Modernization of Economic and State Organizational Structures. The discussion inspired actions that will be taken to help better serve our citizens, simplify much business and modernize many of the presently bothersome regulations.

[Question] Many of our documents could be effectively replaced with entries written into our personal identification cards. If we made fuller use of these ID's, they could make our lives a lot simpler.

[Answer] Of course. A personal ID is a person's basic document. I think it might be worthwhile measure to increase the information contained in ID's to include information such as one's date of marriage so that a separate document would not be required. After all, citizens have still other documents that can be replaced. For example, a land tax payment warrant clearly indicates that one possesses a farm which produces a certain amount of income. Despite the fact that they have such a tax warrant, farmers are bothered with having to show the right documents when they want to buy equipment or machinery. Factory employees picking up a coal allotment must bring documents showing where and how they live. As if that were not enough, they also have to show a document which states the premises' allocation and its exact address.

[Question] Why do we have such a love of paperwork?

[Answer] Because some people like to be covered for all possible contingencies.

[Question] Is this the first time that anyone has tried to stem the flood of documents?

[Answer] No, but the previous attempts were not successful. In 1971, as you will remember, the Council of Ministers order number 79 of 14 July (which was published in MONITOR POLSKI, No 38, item 253) abolished the requirement for documents in business than could be settled in another manner. In my opinion, that measure was too general and did not penalize the people that ignored it. We want a new order that will be followed.

I feel that many papers should be replaced by a single one that states certain facts, especially those that are hard to document. I also think that we should trust each other more. Two or even 5 crooks out of every hundred honest citizens is not cause enough to suspect everyone. At the present time, we are working on ways of stopping this flood of documents. The list of documents that can be dropped will be submitted to Section I of the Working Group under Professor Zygmunt Rybicki. In the next few weeks, the members of this group will analyze the materials we have prepared in order to produce some recommendations on the matter and propose changes to the system.

12261

CSO: 2600/484

## PEOPLES COUNCILS, TERRITORIAL SELF-MANAGEMENT ISSUE REVIEWED

Warsaw RZECZPOSPOLITA in Polish 25 Jan 87 p 6

[Article by Milosz Wilanowicz: "People's Councils: Share the Power"]

[Text] How should Article 34 of the Law on the System of the People's Councils and Territorial Self-Management be practically applied?

Most generally speaking, Article 34 authorizes the voivodship people's council to delegate to the lowest-level people's councils certain matters that are assigned by law to the voivodship people's councils. The intent of the regulation is clear: to expand the jurisdiction and tasks of those councils and to "flatten" the course of handling matters, especially in those spheres of the economy which are carried out and "happen" directly in the towns and parishes (gminas).

The detailed application of Article 34 remains connected to Article 32 and is complementary to Paragraph 1 of the ordinance which the Council of Ministers issued on the basis of Article 180, on 13 April 1984, specifying the types of state enterprises, plants, and other state institutions subordinate to people's councils at various levels.

The law leaves the concrete decision as to the matters to be delegated under Article 34 to the independent judgment of the voivodship people's councils, because the scope and type of matters to be delegated depend on local conditions and factors.

In the catalog of examples of issues which could be delegated to specific towns and parishes we find, for example, in the area of agriculture: government machinery centers, fishing enterprises, agricultural and water service groups, and agricultural schools above the elementary level; in the area of municipal economy: enterprises administering municipal lands, taxicab companies, thermal power companies, liquid gas plants, water and sewer companies, and, outside the national parks: park management units, zoos, building material production units; in the area of trade, services, and small manufacturing: public markets, soft-drink production and distribution companies, baking industry companies, and gastronomic enterprises; in the area of health and social welfare: health care groups, state social assistance (care) homes, state homes for pensioners; fumigation and rodent and pest



control establishments; medical equipment repair establishments; in the area of art, culture, and physical education: museums, folk presentation groups, houses of culture and cultural centers, ethnographic parks, stadiums, swimming pools and other bathing facilities, sport and recreational facilities, and tourist enterprises; in the area of education and formation: various sorts of schools above the elementary level, special schools, scholarships for vocational schools, children's homes, youth centers for moral development, children's vacation centers, and special facilities.

In keeping with the requirement of Article 34, the delegation of matters by the voivodship people's councils to a lower level is always approved or requested by the people's council that is to handle them and is conditional to its being provided the means necessary to carry out the charge.

10790  
CS0: 2600/472

## PUBLIC ASSESSMENT OF GOVERNMENT EFFICIENCY SURVEYED

Warsaw RZECZPOSPOLITA in Polish 6 Jan 87 p 2

[Unattributed article: "Public Opinion About Government Work"]

[Text] According to a survey conducted at the end of last year by the Center for Public Opinion Research, 8 percent of the public feels that last year, the government did everything that it could to improve the country's situation while 35 percent felt that it accomplished -- but not everything possible. Only four percent of the respondents said that nothing had been done to improve the situation.

Respondents stated out that the government has devoted enough attention to church-state relations and the problems of culture. Housing construction was most often mentioned as an area in which too little was being done.

In the public's opinion, 1986 saw an improvement in the consumer market (nearly 47 percent), church-state relations, social welfare, the situation of retired persons and agriculture.

Along with a regression in construction, the respondents also felt that material living conditions and health care had deteriorated and many were alarmed at social pathology.

Every fifth respondent said that there were substantial changes to the methods of government last year and the majority felt that these were changes for the better. There were an equal number of positive and negative assessments of the effects of the government's economic policy.

Nearly 28 percent of the respondents felt that the government's having resigned from some of its initial changes to legislation on economic reform was a sign of disregard for the opinions of the public and public institutions.

12261

CSO: 2600/484

## NEW UNIVERSITY, ACADEMIC ADMISSION POLICIES REVIEWED

## Competition for Medical Admissions

Warsaw ZYCIE WARSZAWY in Polish 6 Jan 87 p 2

["It's Not Easy To Become a Physician" surtitled "Competitive Exams for Medical Studies" under the rubric "In the Nation"--PAP report]

[Text] (P) The minister of health and social welfare has signed an ordinance regulating the principles and limits on admissions and the scope of entrance examinations for the freshman year in medical academies for the 1987/1988 academic year. It will be published in MONITOR POLSKI.

The ordinance specifies that entrance examinations for medical academies will be held on 6 and 7 July 1987. The medical departments will admit -- within the enrollment limits -- 50 percent women and 50 percent men as medical students and 70 percent women and 30 percent men as stomatology students. The examinations are anonymous and of a competitive nature. They comprise the scope of the secondary-school curriculum. For the medical and pharmaceutical departments the entrance examinations will contain 160 test questions pertaining to: biology, chemistry, physics, and a foreign language (English, French, German, or Russian) to be selected by the applicant. For each correct answer the applicant receives 1 point.

Applicants who graduated with high grades in the subjects covered by the entrance examination will be credited with an additional 1 point for each of these subjects, plus 1 point for one of the abovementioned languages. These points can be credited only to first-time applicants for admission.

Applicants for studies in medicine and medical hygiene with previous work experience in institutions of the public health service in the intervening period also are credited with additional points if they held the positions of wardroom attendant, orderly, or stretcher bearer in: clinics of medical academies, centers for postgraduate medical training, or ministerial research institutes; voivodship hospitals and specialized health care teams; general voivodship hospitals; health care teams for the public (municipal and regional hospitals); institutions for the mentally ill; first-aid teams at medical emergency stations; homes for the chronically ill; and health service

institutions subordinate to the ministers of national defense, internal affairs, and justice.

This also applies to: applicants for stomatological studies at the institutions mentioned above as well as at stomatological clinics and dispensaries if during the intervening period they held the positions of wardroom attendant, stretcher-bearer, or dental aide; applicants for pharmaceutical studies at the institutions mentioned above as well as in public and hospital pharmacies and blood-donor stations, if during the intervening period they held the positions of wardroom attendant, orderly, stretcher-bearer, drug packer, pharmacy aide, or laboratory aide; and lastly to applicants for studies in medical analysis at the above-mentioned institutions as well as in hospital pharmacies and laboratories and blood-donor stations, if during the intervening period they held the positions of wardroom attendant, stretcher-bearer, or laboratory aide.

The applicants referred to above are credited with: 8 points for 8 months of continuous work experience during the intervening period between August 1986 and June 1987; 7 points for 7 months of continuous work experience during the same period; or 4 points for at least 7 months of continuous work experience during the period between 1983 and July 1985, or at least 6 months of continuous work during the preceding years. The most that can be credited to an applicant for the work referred to above is 12 additional points. Applicants who have already in the past attended a medical academy are not eligible for these points.

Applicants for the freshman year at medical academies who complete in 1987 their basic military service or its civilian equivalent or basic civil defense service, and who can show positive discharge certificates from the commander of the military unit, director of the plant or factory, or commander of the civil-defense unit assigning the applicant to studies at a medical academy, or who are total orphans or were brought up in children's homes, are eligible for 10 percent to be added to their entrance examination scores, provided that they have not previously attended a medical academy. Applicants for the freshman year studies in medicine and stomatology are admitted on the basis of point limits centrally determined by the minister of health and social welfare; these limits are identical for all medical academies, with the proviso that the enrollment limits for specific areas of study at all medical academies be followed. Applicants referred to above will be admitted in accordance with the number of points earned within the point limits and within the enrollment limits for a given area of study at a given medical academy.

In the event that at a given medical academy the number of eligible applicants who pass the entrance examination is below the enrollment limit, it may admit applicants from other academies, with priority to be given to those who score the highest number of points, in that order. This is permitted, of course, only if those applicants are, despite their attaining a score corresponding to the central limit, not admitted to the freshman year of studies at the academies to which they originally applied. These provisions do not apply to applicants for pharmaceutical, medical-hygiene, medical analysis, and nursing studies.



Applicants for full-time studies at nursing departments are admitted on condition that they intern for at least one year as nurses or midwives, show certificates of maturity and graduation from a secondary medical or midwifery school, and pass a competitive written or oral -- depending on the decision of the academy's rector -- examination on anatomy, physiology, nursing, and a foreign language to be selected by the applicant, e.g., English, French, German, or Russian.

Applicants for medical studies who have just graduated from secondary schools should ask their schools to mail a transcript of their scholastic record no later than by 15 June 1987. Applicants who have graduated from secondary schools in an earlier period should submit the required transcripts to the medical academy they select no later than by 31 May 1987.

Applicants who are completing in 1987 their basic military service or its civilian service equivalent, or basic civic-defense service, should submit the required proofs together with a recommendation by the commander of the military unit (or director of a plant or factory, or commander of a civil-defense unit) to the military studies department of the selected medical academy no later than by 31 May 1987.

The entrance examinations to the freshman year of studies at nursing departments will be held on 8 and 9 June 1987. The applicants should submit the required documents to the Medical Academy in Lublin on 4 Osterwa Street no later than by 15 May 1987.

#### 'Preferential' Admissions Controversy

Warsaw RZECZPOSPOLITA in Polish 31 Dec 86-1 Jan 87 pp 1,7

[Article by (akow): "The Entrance Examination is the Main Criterion" subtitled "New Rules for Admission to Studies; Abandonment of Preferential Point Credits"]

[Excerpt] (Own information) (C) On 29 December 1986 the minister of science and higher education signed an ordinance concerning the rules and conditions for admission of full-time students to the freshman year of studies at the institutions of higher education subordinate to his ministry. This means a new system of admissions to higher studies which will be mandatory for graduates of secondary schools already beginning with the next enrollment period in July 1987. Below are the principal provisions of this new system. [See previous article]

In connection with the introduction of these new enrollment regulations, which are of such interest to public opinion, we asked a representative of the Ministry of Science and Higher Education for comments.

Mrs. Krystyna Krawczyk of the Department of University and Economic Studies declared: "The previous system of enrollment for higher studies has been in force since 1965, that is, for more than 20 years. Despite its continual refinement, it kept eliciting controversies. The crediting of points for social origin was the subject of the greatest criticism. In this connection,

the Ministry of Science and Higher Education began to work on a new system for the enrollment of full-time applicants for the freshman year of studies. The Advisory and Research Center for Enrollment was established, and it engaged in research and analyses relating to this problem. Numerous opinion polls and surveys in all the social constituencies were carried out. The preliminary assumptions of the draft rules were published in their entirety or partially, in 1984, in all the central and local dailies. Among other things, 250 articles were published on this topic and 355 letters from citizens were received. An opinion poll on the admissions system resulted in 12,000 responses.

"This served as a basis for drafting assumptions for the rules of enrollment for full-time studies, following comments from, among others, all institutions of higher education, the ministries exercising jurisdiction over them, youth organizations, and the Main Council for Science and Higher Education which, in addition, at its last session issued an opinion on the minister's ordinance concerning this matter.

"The recommendations and postulates ensuing from these longtime surveys and consultations served to draft a system which was introduced into life by the ordinance of 29 December 1986 of the minister of science and higher education, that is, half a year prior to the entrance examinations, as required by the provisions of the decree on higher education. The new rules abandon the universally criticized crediting of preference points for social origin. Now the main qualifying criterion is the results of the entrance examination itself. What matters is that the best graduates of secondary schools be genuinely provided with optimal opportunities for admission.

#### Daily on Reasons for Implementing Changes

Warsaw ZYCIE WARSZAWY in Polish 20-21 Dec 86 p 5

[Article by (par): "Rules for Admission to Studies" subtitled "No Crediting of Points for [Class] Origin?"]

[Text] (W) (Own service) If the persons who drafted the ordinance of the minister of science and higher education on the rules and conditions for admission to the freshman year of full-time studies had intended to prove the oft-voiced thesis that there is no admission system that does not breed controversies, they have succeeded perfectly. This was demonstrated by the plenary debate of the Main Council for Science and Higher Education, held on Friday 19 December 1986. For, in accordance with its statutory duties, the Council had to issue an opinion on that ordinance.

The discussion showed that it was not just the decision to completely (finally!) abandon the automatic crediting of points for social origin that could be considered controversial. In fact, most controversial was the introduction of two variants of examination topics (depending on whether the applicant completes an academic high school or a technikum) and leaving to the rector's discretion the decision on admitting 20 percent of the total enrollment limit, set aside for youth of worker or peasant origin and for persons originating from culturally neglected communities. Also controversial

was the decision to leave to the rector's discretion the manner in which the secondary-school records of the applicants are to be credited, the number of points to be credited to secondary-school recommendations, and the so-called qualifying interview.

Doubts among Council members were also elicited by the decision to introduce the new rules as early as at the beginning of the new academic year. Many discussants thought this a proof of excessive haste and recommended further discussion of this socially important subject that has been agitating the society for years. Proposals for tabling the issue also were made on the grounds that the draft ordinance undoubtedly contains many imprecise definitions and is needlessly complex, for which the discussants criticized it scathingly. Some of those taking the floor even claimed that the ordinance is not fully consonant with the higher-ranking law represented by the Decree on Higher Education.

While defending the principal provisions, representatives of the Ministry of Science and Higher Education and of the research center which had drafted the new regulations promised to eliminate formal and stylistic flaws in their text. Accordingly, the Main Council for Science and Higher Education adopted a recommendation which evaluates positively this attempt at a comprehensive revamping of the system for admissions to the freshman year of studies but includes a number of specific comments. Thus, they recommended that the minister abandon the idea of differentiating examination topics for graduates of technical and academic high schools, reduce to 10 percent the proportion of admissions left to the discretion of the rectors, treat the qualifying interview as an integral part of the entrance examination, relieve institutions of higher learning of the burden of all the tasks relating to the preparation of applicants for the entrance examinations, and adjust the examination requirements so as to allow for the specificity of discrete institutions of higher examination and for the secondary-school scholastic record of the applicants.

At the same time, the Council supported the idea of introducing (in measure with the possibilities of discrete higher educational institutions) the so-called zero year which would be in the nature of a selection year, or admitting a greater number of applicants to the freshman year so that precisely that year would be in the nature of a selection year.

We shall soon know the extent to which the minister of science and higher education will avail himself of the recommendations of the Council, because the new rules for admission to full-time university studies will be promulgated even before the end of December, if they are to be binding as of the beginning of the coming academic year.

#### Doubts Voiced, Further Problems Foreseen

Warsaw ZYCIE WARSZAWY in Polish 12 Jan 87 p 3

[Article by Justina Paradowska: "Is the Admission Quota Good for Everything?" subtitled "Rules for University Admissions"]

[Text] Nearly 20 years of discussion, with the discussion in the last 4 years being particularly intense, as well as public consultations, opinion polls,

resolutions of the senates of institutions of higher learning and various other bodies whether or not linked to higher education, and surveys by an advisory center especially appointed for this purpose -- all this was to result in developing a completely new system for admission to full-time freshman year of studies, a system that was to fulfill two basic purposes: to ensure that the best students would be admitted and at the same time to ensure that youth of worker and peasant origin would be represented among the admitted students in a proportion corresponding more or less to the cross-section of the entire society.

In the last days of December the minister of science and higher education signed a corresponding ordinance and the new system of admission to studies at higher educational institutions subordinate to that ministry will be effective as of the 1987/1988 academic year. The total abandonment of automatic crediting of points for [class] origin and the setting aside of a 20-percent admission quota for youth who just barely pass entrance examinations but originate from worker families, peasant families, children's homes, small localities, etc., and also the crediting of points for good secondary-school transcripts -- such are the principal changes.

The present text of the ordinance differs little from earlier drafts, although the minister did make an allowance for certain recommendations of the academic community, and especially of the Main Council for Science and Higher Education. His greatest concession was to abandon the idea of differentiating the examination topics for graduates of academic high schools as opposed to graduates of technikums. He also abandoned the idea of sending to secondary schools special questionnaires asking them to evaluate on an appropriate point scale such qualifications of applicants as ability to concentrate, thinking, endurance, consistency, organization of work and study, general attitude toward study, adjustment to the school community, and socialization. Such a questionnaire was supposedly drafted by psychological experts and it may be that only they can evaluate it properly, whereas to most secondary-school teachers it looks like a conundrum or yet another formality to be attended to by stressing that the applicant simply is not best in everything.

Several recommendations were not considered favorably by the minister, namely: reducing to 15 or 10 percent the proportion of admissions of certain privileged groups of youth left to the discretion of the higher-school commission; reducing somewhat the number of points that can be credited for good secondary-school scholastic records; and postponing the decision [the ordinance] for at least one more year. In this last case the point was that, since the rules for crediting the scholastic records of applicants are to be revised quite substantially, an equal opportunity should be afforded to all applicants regardless of the year of their secondary-school graduation. Otherwise, this year's graduates would learn about these revisions as late as shortly before they are to take their final secondary-school examinations. For while under the previous regulations it sufficed to have a secondary-school record of A- or B-average in the subjects covered by the university entrance examination in order to be credited with additional points, now an at least B-average would be required in eight subjects -- Polish, a foreign language,



history, geography, mathematics, physics, chemistry, and biology. This is a major change, and the bonus for having an excellent scholastic record in these subjects is substantial, amounting to one-fifth of the points that can be earned in the qualifying proceedings. It is perfectly obvious that a stormy chase after higher grades will now commence in the senior classes of secondary schools, and I personally doubt whether the grades recorded on their final-examination certificates from secondary schools this year will genuinely correspond to the actual level of knowledge of the graduates. It is thus hard to deny that those claiming that youth should have been notified well in advance of changes of this kind are in the right.

But the principal question is whether the new system is meeting the purpose for which any system of this kind is intended -- does it assure the admission to university studies of the most gifted students, those who indeed are both predisposed toward such studies and possess the necessary background of knowledge? I have too many doubts to answer this question affirmatively. University representatives are wont to say that the entrance examination should be the only criterion, that its results can provide sufficient knowledge about the applicant to forecast his success in the university. But is it really possible to gain a comprehensive picture of the individual applicant at university departments to which several hundred applicants are seeking admission and at which the examination commissions operate feverishly under such corresponding pressures? Hardly.

Yet, the form of the entrance examination itself has hardly changed, and as for evaluating predispositions, that is terra incognita (with the exception of fine arts schools or physical education schools). The currently introduced custom of the qualifying interview, which is to be an integral part of the oral examination, can easily turn into a mere formality because, to boot, its purpose is unknown. Is it to help evaluate an applicant's public activism? Or is it to help evaluate his abilities and the validity of his choice of area of studies? Surely, a little of everything. Except that there is the question of who will conduct the interview and how?

The theory that only the ablest applicants should be admitted to university studies is additionally complicated by setting aside 20 percent of admissions for youth originating from privileged groups. Applicants belonging to these groups need only meet minimum requirements: they need at least 42 points out of a possible 100 in order to be admitted. This means that an applicant may be graded merely satisfactory on his final-examination certificate from the secondary school, his assessment by his secondary school may be negative, and he may not even earn one point during his qualifying interview, but still he can be admitted if he passes the entrance examination with a C-average. Thus, the obstacles to his admission are incredibly low. This moreover warrants situations in which such applicants with the poorest C-averages will be favored over applicants who pass the entrance examinations with a B-plus average when it comes to admissions to the areas of study in greatest demand. Moreover, even these C-averages may be artificially raised a little higher, because after all every institution of higher education is expected to report on the so-called social composition of its students, and no institution wants to risk becoming liable to easily hurled accusations that its students include a too low proportion of youth of worker and peasant origin.

Thus, the 20-percent quota replaces the crediting of points for social origin but produces the same effect: it appears to me that just as such crediting settled nothing over many years and merely irritated everyone, including those eligible for it, so this allotment will not change anything either. There are simply too few applicants for university studies from these social strata, and the actual threshold of selection exists not between the secondary and the higher schools but between the secondary and the elementary schools. Youth from worker and peasant families enters chiefly vocational schools and prefers to learn a trade more rapidly, considering anyway that trades pay more than the salaries paid to university graduates. This is the truth, which everyone knows. Despite this, it is only at the stage of the university entrance examination that a system of incentives for study is tentatively afforded. On the other hand, nothing is known about any attempts to create such a system at a lower level, if only by developing a network of boarding homes attached to high schools and technikums and providing financial assistance to youth desirous of studying. The system of incentives existing at the university stage also includes all the free preparatory courses, prior availability of topics of the entrance examination, consultations for academic teachers in secondary schools, etc. The effectiveness of these forms of assistance has so far been limited, because it usually comes too late. Of course, it is possible to provide more or less learned proof that owing to preparatory courses it was possible to increase admissions of youth of worker and peasant origin by one-half percent or even by one percent. But such annual calculations of "upward" progress provide a figleaf covering up a huge problem, namely, the problem of a suitably early formation of the educational and occupational-professional aspirations of youth.

There used to be a time when we believed in crediting points for [social] origin, and now the experiments with allotting a percentage of the admissions for this purpose are beginning. Once again, enrollment commissions will be in session and solve the most intricate problems relating to certificates of the nature of the jobs held by parents, convert evaluations to a point scale, set up gradations for the most important, important, and least important applicants, and divide them into categories, in the same way at every university, regardless of the kind of university, area of study, and the number of applicants. For only a few applicants are granted the right to experiment. Teacher training colleges and agricultural higher schools may, e.g., assign applicants who passed their entrance examinations to a year's work internship combined with correspondence studies and, after that year, admit them as full-time sophomore students. It is a pity that this kind of autonomy has not been granted to, e.g., the universities so that they could admit all those who pass their entrance examinations, and also so that they could admit to the areas of study in lesser demand all those who choose them. Then the entire freshman year would be a kind of a year of selection, which in the opinion of many experts is the best way of evaluating applicants. Time favors such experimenting, because there are few applicants for most areas of study. The demographic peak is supposed to occur only in the 1990's. But the ministry prefers the whole matter to be tangled and complicated throughout, although in theory the rules for admission to university studies should be clear and precise. But then in theory there are so many other things that should have existed in reality.... It thus may be that, avoiding prolonged discussions, the minister muddled through by simply abolishing the crediting

of points for social origin while at the same time maintaining the old system of identical entrance examinations for all, a minimum number of credit points for an excellent secondary-school record (though only with respect to the subjects included in the entrance examination), and credit points for previous work experience in the health service. But in maximally simplifying the system, the minister appointed a commission which is to develop in the next few months a new system for admissions to medical academies. Further complications are thus possible.

#### Inconsistencies, Effect on Rural Youth

Warsaw ZIELONY SZTANDAR in Polish 8 Feb 87 p 6

[Article by Bartosz Glowacki: "No Preferences?"]

[Excerpts] Time will show whether the new system produces the desired effects for higher education. It is a fact, however, that work on an "ideal" system for admissions to university studies has been under way in Poland for more than 20 years -- a system that should fulfill two basic purposes: enable the best and most capable students to enter upon higher studies and at the same time cause youth of worker and especially peasant (because it is the least represented at institutions of higher education) origin to be represented among students to an extent corresponding at least to the cross-section of the entire society.

Let us take a look at the new system on primarily considering the interests of applicants of peasant origin. What is of special advantage to them under that system, and what elicits reservations? To be sure, the crediting of points for [social] origin has been abolished, but the 20-percent quota for the admission of, among others, applicants from the countryside who passed entrance examinations just barely, constitutes a kind of preference for them, their compensation for points lost. It is difficult to make any forecasts here, but I think that the very existence of such a quota may prove a factor encouraging peasant youth to undertake university studies.

The rule admitting to university studies applicants of peasant origin desirous of majoring in education and agriculture at institutions of higher education, once they pass the entrance examinations, has been retained.

Also advantageous is the retention within the new system of admissions to the zero ["preparatory"] semester at the institutions of higher learning with suitable conditions. But the problem is that, owing to a shortage of facilities, few such institutions are able to avail themselves of this form of selection of applicants.

Now what about the questionable aspects of the new system? This concerns, among other things, the qualifying interview. It may afford an opportunity for the applicant of peasant origin, or it may prove a total loss to him. Years ago, critics of the excessive anonymity and "test-mania" of entrance examinations had demanded that the predispositions of every applicant for higher studies, his intelligence, etc., be evaluated during a personal interview with him. This demand is satisfied precisely in the new system.



And,... and only now one realizes how difficult is an objective evaluation of such interviews. For their purpose is hardly known. Are they to measure the applicant's intelligence, his abilities, his social activism, the validity of his choice of area of study, or what? Another question is for what should points be credited? The intelligence, book knowledge, erudition, or social activism of the applicant? There is a lack of precise and objective criteria.

But it may turn out during the interview that, despite gaps in his manner of formulating thoughts, in his book knowledge, etc., an applicant of peasant origin shows great promise. After all, numerous studies (conducted by, among others, the well-known sociologist Professor Yzma Galaj) have demonstrated that, following an initial difficult period of adaptation, university students of peasant origin attain higher grades than their urban peers, and that they are more diligent and take examinations and complete their studies on schedule.

The new system has become a real fact. But as known, a university admission system is only part of the problem whose real name is the equal educational start for young people from various social milieux. The proverbial skeleton is to be found in another closet, namely, in the secondary school, in academic high schools where, in recent years, the proportion of daughters and sons of peasants has been low (8-10 percent) and which are the principal (80 percent) source of applicants for admission to universities. And here it must be explicitly stated that, whatever preferences may have been conceived for youth of peasant origin, this assistance comes too late.

The problem thus consists in that the educational and professional aspirations of youth of peasant origin be awakened much earlier, already in the elementary school. But for this to work, effective and specific arguments swaying the imagination of children and their parents should be employed. Appeals are not enough. It is necessary to provide peasant youth with the conditions, a system of incentives, and study assistance (preparatory courses for university applicants do not seem to provide effective assistance of this kind) motivating it to study and, at a much earlier age, choose academic high schools over vocational schools. Such incentives could include suitably higher stipends (few are granted to academic high-school students compared with many granted to vocational students) and an expanded network of academic high schools and boarding schools in smaller localities, in the proximity of parental homes. Another step forward would be, as postulated for many years by the Chairman of the Commission for Science and Education under the Supreme Committee of the ZSL [United Peasant Party] Professor Jan Gorecki, setting aside a percentage of assured admissions for peasant daughters and sons to boarding homes attached to reputable big-city academic high schools.

The inequality of educational opportunities for peasant children and youth, starting with the preschool and continuing through the underequipped and otherwise inferior rural elementary schools to the secondary schools that lack facilities for boarders, thus complicating access to peasant children, is hardly a novel issue. The point is that there should be less talk and more action about it. And the action should be taken in two parallel planes. On the one hand, the differences in the levels of instruction between schools in town and country should be equalized and the educational opportunities of



peasant youth augmented. On the other hand, the social composition of university students should be corrected -- better late than never -- already during the admission procedures. Only action thus conceived can produce the desired effects. But this still is a question of years.

#### ZSMP Organ Attacks Organ's Basic Premises

Warsaw WALKA MŁODYCH in Polish No 8, 22 Feb 87 pp 3, 14

[Article by Ewa Mazur: "The Mountain Gave Birth to a Mouse"]

[Excerpts] Discussing the nature of the system of university admissions is our Polish specialty. This is done at least twice a year: in July, the month of the entrance examinations, and in October, when the academic year commences. Each time, the mass media, followed by an overwhelming majority of citizens, ponder what should be done to make the system more equitable, so that the best applicants would be admitted without at the same time rejecting those who through no fault of their own are less well-prepared for the examinations>

Long Live Subjectivism!

As late as last July the entrance examination was just that: it was written and oral and then graded. If an applicant was eligible for point credits, he got them, period. This system undoubtedly had its flaws, but it was clear and specific. This coming July, however, grading of entrance examinations will be complemented with additional point credits (for all candidates).

Twenty percent in points can be credited for an excellent previous scholastic record. This of course means nothing to applicants with less than a B- or A- average on the eight principal subjects.

Ten percent in points can be earned during the so-called qualifying interview, that is, during a vaguely defined chat with the examining commission.

But while future secondary-school graduates will like this idea, it can hardly be palatable to those applying for university admission this year, principally because few of them have previously been "collecting" grades of A in the eight subjects. Classes in academic high schools are mainly structured so that, as a rule, students attending classes in the humanities or languages are unwilling to take courses in the exact sciences (or rather the curriculum in the exact sciences is conceived without considering the requirements of the humanists), and vice versa. Surely it is demoralizing for a student to overlook some study subject, and since it has long been known that students view some courses more seriously than others, some other decision could have been made instead of penalizing this year's high-school graduates. Because they will indeed be penalized considering that some of the subjects included in the university entrance examination are taught in the junior year of high school, so that it is too late for seniors to take them, while in others the students received a C grade and were content with it because under the previous system no points for them had been credited to the university entrance examination scores. What a mistake. Three months before their

graduation this year it turns out that the ministry had prepared a shocker for them.... A shocker of 20 credit points for which they are not eligible!

There still remains a little matter, namely, comparing the importance of one A grade with another A grade. To avoid referring to drastic examples of disproportions in instructional level between high schools in great cities and, say, high schools in the countryside, let us dwell on Warsaw examples. The Batory and Zmichowska high schools in Warsaw are renowned throughout Poland. They are not attended by poor students, and they do not graduate incompetent seniors. An A grade from either of these schools is a grade that merits complete confidence. And yet in the same Warsaw there is a couple of "breeze-through" high schools offering what are colloquially called "snap courses." They are attended by students who want to graduate easily without any special effort as well as by those expelled from other schools for idleness, lack of academic progress, or truancy. Being a frog in a puddle is easy, and "A" grades earned in such places are worth just as many points (20!) as "A" grades earned in a good, solid school.

Another reservation concerns "pulling one up by his ears" or giving a student a higher grade than he deserves. After all, a teacher does not want his student to remember him badly all his life long, and so he continually bends over backward to give another chance to the student. This is not question of ability, knowledge, and intelligence. This is a question of the patience of both the student and the teacher. The patient ones win!

In a nutshell, this is not worth the effort. The proposed new system for crediting points for a good scholastic record adds (together with the qualifying interview) almost as many points as a passed entrance examination itself and it clearly promotes the lowest common denominator. If that was precisely the purpose of the creators of the new system, everything indicates that they have accomplished it.

Just as mystifying is the "qualifying interview" to be conducted by the examining commission (a maximum of 10 credit points) with the applicant. Its idea in itself would not be so bad, because the threat of the qualifying interview compels all applicants to consider seriously why are they choosing one particular area of study over others (and there are so many of them!), were it not for the consideration that in practice it is not feasible. The examining commissions are so burdened with their duties that they work in continual haste, drowning under a ceaseless flood of drivel talked by the applicants. The additional obligation of conducting the qualifying interview is an added burden and an added subjective factor.

Thus it is demonstrated that 80 percent of admissions to higher educational institutions is seemingly reserved for the best qualified applicants but in reality it is reserved for those who are lucky or bring... bulging briefcases. Too many subjective factors are involved here to state honestly that the best applicants will be admitted. The subjective nature of the previous system for admissions to university studies has been repeatedly criticized, and those notorious "rectoral admissions," in theory granted publicly but in practice granted according to criteria known solely to the rector himself, that is, as he sees fit, were particularly irritating.

As for the remaining 20 percent of admissions to every department, they are to be set aside for applicants who appeal if they belong in the groups named at the outset of this article. In order to have his appeal considered by the University Qualifying Commission, the applicant must have at least barely passed the entrance examination and proved that he is eligible for the preferences in question. The matter is clear in the case of youth from worker and peasant families, orphans, and former inmates of children's homes, as well as those who have just completed their military service; in all such cases the poorer preparation of the applicant for the entrance examination is justified by his more difficult life situation and lower start level compared with his fellow applicants from other social strata, or by barriers of a psychological nature erected by both the applicant ("I won't manage....") and his family ("Not one of us has been to school but we manage to live somehow...."). Since the Ministry of Education and Upbringing has for years been exclusively focusing on revamping curriculums and continually introducing new ones and, as a consequence, it has been ignoring the (continually growing) problem of disproportions in instructional levels between schools in large and small localities, it is necessary to maintain such a system of preferences for admission to university studies so as to afford an opportunity to applicants from civilizationally neglected milieux. Otherwise there would obtain the following paradoxical situation: the entire enrollment at universities would consist exclusively of the graduates of several dozen best secondary schools. The others would have to enter schools below university rank.

But the preferences, indispensable as they are, should be somewhat reshaped. First, the eligible applicants themselves are reluctant to avail themselves of them in precisely this form of "ordinary" privileges. It is good when such privileges enable one to become a university student. But it is not so good when the other students afterward remember for 5 years who is and who is not an "M.A. by [social] origin." Being an M.A. by origin is an insult, regardless of the student's intellectual level, and it is not necessarily justified by his scholastic record; it is simply that the "point-gainers" are condemned and ridiculed in certain communities, though fortunately not everywhere. And yet the matter could be resolved much more elegantly and advantageously to those persons concerned who prefer to receive, instead of such privileges, some concrete remedial tutoring assistance. An attempt to provide such assistance is represented by the preparatory courses, not bad in theory, but not so good in execution....

#### Galimatias

The greatest doubts about the new admission system are elicited by two categories of the privileged applicants: those with some previous blue-collar work experience and ZHP [Polish Scouts' Union] instructors. But while it is relatively easy to justify admission preferences for young workers (e.g., a construction engineer who used to work as a mason is more familiar with arcana of construction than an engineer who has never worn rubber boots), and only the manner in which certification of eligibility is processed elicits many doubts (as the institutions of higher education are well aware themselves: for years now no reliable procedure has been evolved for obtaining from students credible information on the earnings of their parents in order to determine the amount of their stipends), showing favoritism to one of the many



organizations operating at a university is perplexing. This may win over many new members for the Polish Scouts' Union, because everyone will hope to become a scout instructor, but why does that worthy organization have to employ such methods for enlarging its membership? Entrance examinations are hardly the means for it....

Consider that there have been naive individuals who dreamed of solutions of the "open year" kind, a year open for all applicants, with selection to be made only during the first two semester examinations,, a "zero" ["preparatory"] year for applicants from neglected communities with the object of enabling them to overcome their deficiencies and study on a part-time basis with the prospect of being transferred to full-time regular status once they pass the first-semester finals, or to acquire the status of transient students being experimented with here and there.

#### PAX Organ Cites Qualified Support

Warsaw: SLOWO POWSZECHNE in Polish 12 Jan 87 p 3

[Article by Janusz Rowicki: "To Whom Should Student I.D. Cards Be Given?"]

[Excerpts] No issue relating to higher education (e.g., study plans and curricula, scope of instruction, employment of graduates, quality of education, etc.) is stirring the public's emotions more than the modernization of the system of admissions to full-time university studies, an issue that had until recently remained in the sphere of postulates. It is worth noting that the most often criticized element of qualifying procedures relating to entrance examinations in institutions of higher learning has been the mechanical and imprecise crediting of the so-called preference points for the social origin of applicants.

Such practice is understandable, however, if we consider that despite the various measures taken (including the abovementioned crediting of points to the examination score) the participation of youth from worker and peasant milieux in university studies has been low. For example, in the 1985/1986 academic year university freshman classes contained 31.4 percent of students of worker origin and barely 6.3 percent of peasant youth from private farms. These proportions are changing so far as correspondence studies are concerned, because in that same academic year students of worker origin accounted for 48.1 percent of their enrollment, and students of peasant origin, 12.7 percent.

The principal argument in favor of changing the social composition of students is the excessively low -- compared with the social composition of the population -- share of youth of worker and peasant origin. But such an argument overlooks the fact that the proportions of the share of students from these social strata correspond to the social composition of applicants for higher studies. In other words, the measures to be taken by the universities were supposed to reduce to eliminating the shortcomings of educational policies due to the insufficient interest of certain social strata in having their children attend higher studies. This precisely accounts for the



mandatory application of preference mechanisms during the last 20 years — mechanisms that distort the entrance examination scores.

This accounts for the great interest shown in the latest prediction of changes in the system of university admissions being prepared by the Advisory and Research Center for Admissions to Higher Studies. And the word became fact.

In the last decade of December 1986 the draft of the new assumptions for university admissions was presented to a modest sample of so-called public opinion which apparently had no influence on the final decisions in this matter. This refers to the opinion issued by the Main Council for Science and Higher Education, as well as to the comments of the academic community and youth organizations. There was simply no time for a genuine public consultation, and the ministry's haste was due to a prosaic reason: the new system of university admissions had to be announced at least half a year in advance of the period of entrance examinations, in conformance with the provisions of the Decree on Higher Education. In practice, there were barely 9 days between the last session of the Main Council for Science and Higher Education opining on the project of changes in admission procedures (19 December 1986) and the signing by the minister of science and higher education of the ordinance regulating the rules for these admissions. The possibility of a thorough consideration of the comments and proposals of that reputable body within such a short period of time is dubious.

The new rules for admissions to higher studies represent considerable progress in comparison with the previous rules, although the difficulty of completely abandoning the criticized aspects of the old rules, which have not proved themselves in practice, is evident. Years of discussions of the system of admissions to higher studies had seemed to promise new and noncontroversial solutions, especially considering that they were accompanied by studies and surveys conducted in various academic communities. Apparently the related findings were not fully and properly utilized, and the haste with which the last stage of preparations of the final version of the new rules for admissions to higher studies was completed is hardly conducive to improving these rules.

It can be definitely stated that this major issue will again be the subject of debates, because after all this concerns exploring optimal solutions. It would be well if critical comments were to be taken into consideration to a greater extent than in the past and the practical experience gained in the administration of examinations be used as an actual foundation for continual refinement of the system for admissions to higher studies. If the unquestioned axiom that the best applicants should be admitted to higher studies is to be accepted, then a system of qualifying procedures that is free of extraneous qualifications should fully correspond to it.

1386  
CSO:2600/414

## MEDICAL SCHOOL PZPR UNIT REMAINS DECLINING INFLUENCE

Warsaw SIUZEBA ZDROWIA in Polish No 2, 11 Jan. 87 p 3

[Article by Maria Czesninowa: "From the Party's Point of View"]

[Text] What is the future of Warsaw's Academy of Medicine? Come the 21st Century, what will become of its glorious tradition, enormous intellectual potential, the world fame of its many scientists, its growing material base (despite numerous difficulties, barriers) and, above all, the young cadres it is training and educating?

These concerns were voiced in practically every pronouncement at the PZPR academic report-back conference held December 9. Known for their rational adherence to principles and implementation of far-sighted policies, party activists formulated the problem clearly in its report:

"Today one cannot draw very optimistic conclusions from the fact that the best known representatives of the opposition among students and teaching staff are not asserting themselves verbally, that sharp polarizations of attitudes have not materialized in our school, and that academic life goes on as usual, quietly and peacefully. However, it is obvious that right now the primary struggle concerns the attitudes of the independent scientists, and directors of clinics and departments, and the appointment of professional and scientific authorities."

"Regardless of even the best law on higher education, the people functioning as managers will decide the life of the academy. To function as such, a reservoir of knowledge and scientific degrees are essential. A great number of party members is also essential."

"Of course, the concern here is not that membership in an organization be a condition for professional advancement but that each clinic and scientific discipline contain an appropriate number of party authorities."

"No one doubts that only a policy of national understanding, realized at every level, will enable Poland to develop properly. However, understanding must not be confused with concessions, constructive compromise with thoughtless conformity, and honesty with lack of imagination. Compared to 1980, one cannot help but notice that the number of party members at the academy decreased by

about 40 percent, that the average age of party members increased significantly, and that students and young scientists at our academy are not joining the party despite the fact that the decrease in PZPR memberships has been arrested. It will not be long before the party will feel the effects of this."

In truth, however, from the party point of view, it is a fact that the staff changes that have taken place last year were a huge success. A rector was appointed who is a executive member of the PZPR [KU] Academy Committee. The KU secretary was elected vice rector, and another executive board member became vice dean of the department of dentistry. Presently 51 percent of the Academy Senate are PZPR members, and 60 percent of the Rector Council are PZPR members.

But in looking at the future, it should be remembered that 37 professors are party members (45 percent of the total). Within 10 years, 8 of them will be retired, and by the year 2000 only 11 of them will still be present.

Among the 119 docents and assistant professors, only 20 (16.8 percent) belong to the PZPR, and their average age is 53. By the year 2000 only 15 will remain.

Of course the numerous lecturers at Warsaw's Academy of Medicine represent a natural base for the independent staff. Among them, 23.2 percent belong to the PZPR, but the average age of the lecturers is 45.

The cited data indicate, as asserted at the conference, that rebuilding the cadre potential remains the party's primary task. Above all, here we must strive to employ at the Academy of Medicine those graduates who, in addition to earning good grades and being involved in the student science movement, also were active in social work, which improves the likelihood of their further activity in the social and political life of the academy. Attempts should also be made to enroll in the party's ranks presently employed assistants.

Despite appearances, it is not an easy task. To be truthful and blunt, a scientific career is more difficult to achieve for a party member than for a non-member.

Of course, the way to improve one's professional qualifications is via scholarships at the best scientific centers in the world. Scholarships to such centers in the West are offered to individuals and, as a rule, not to PZPR members. Of course, the academy cannot possibly influence cadre policy regarding scholarships in the West (of course the academy could try to influence who is selected, but to do so would be suicidal). There are numerous, famous scientific centers within our own socialist camp. We should take greater advantage of these opportunities. A person competing for a higher position should not be penalized merely because he was involved in social and political work while a competitor for the same position had more opportunity to improve his qualifications. It also turns out that opportunities are unequal in the parent clinic as well as abroad.

In many disciplines a professor who is a party member is not training even a single person who is a party member to succeed him (at times, he trains no one at all). This is very disturbing. The professional, social and political training of those who will succeed us is an important party obligation of today's functioning cadres.

Above all, however, we should attempt to answer the question: Why are fewer young people willing to join the party's ranks today than several years ago?

The conference participants raised various, worthy considerations. Some believe young people are left to themselves too often. A political opponent raised the slogan of the 'maturity' and 'independence' of students, which should not be interfered with. In its day, noninterference produced some poor results.

The truth is that young people are seeking models and contacts with their teachers. Here is a small, outwardly trivial example. When the headquarters of the KU was a room in the Medical Student's Club on Oczka Street (where the activity of young people were concentrated) several dozen students belonged to the party, and anyone could obtain advice concerning their problems from a permanent staff of executive committee members. Today, the committee occupies a small room not too far from the administration office on Filtrów Street. Not too many nonparty people go there, and there are a total of four students who are party members. I repeat: it is a small example but one worthy of thought.

It also is said that young people are not rallying en masse to the party because they are embittered. The students' material conditions are bad and are not being helped by the shortage of student housing (593 rooms for 1,100 applicants). After completing his studies, an assistant earns an average of 13,000 zlotys per month; a senior assistant, 14,000 zlotys; a lecturer, 21,000 zlotys; and a docent, 29,000 zlotys.

During the conference it was said that "whoever permitted the pay of a street sweeper to be twice that of a teacher of young people bears much of the blame (which is not to say that a street cleaner makes too much). The concern here is about proportions."

"It is very disturbing, that the valid, proper directions issued by the highest state and party authorities, who understand and value the importance of health service and the Academy, in passing through the various bureaucratic levels, result in bad instructions."

Here is another item: What do we really accept for medical studies? As noted, the test examination has one advantage: it is fair. But it has its disadvantages. The most serious disadvantage is that the motivations, predisposition and personality of the person wanting to become a doctor are not examined.

The school of the 21st Century--and that is what we must think about and discuss today--will consist of new structures. After all, every building must come to a successful end. The new structure will contain equipment, even



though, as stated bitterly, we are discussing electronic microscopes while we lack ordinary laryngological mirrors. But has any thought been devoted to creating the prerequisites for meeting the challenge of medicine that the new century will bring? Will all the resources be assured, especially the training of cadres to develop transplantology, immunology and genetic engineering? No higher education party organization, especially one that is central and important, can avoid replies to these questions.

Finally, one more idea that I believe should be considered. Health service must be treated as an important branch of the national economy. Placing it permanently in the area of asuperstructure will be prompted only by the increase in social expectations, which we are not ready to meet. We cannot expect the party to deliver on its promises if cover funds are not available.

Of course, this does not mean that any of the conference attendees recommended the introduction of reimbursement for medical services. On the contrary, it was strongly emphasized that free health service is an important bastion of socialism today. It is simply a political matter.

However, the public should be aware of the capabilities of our health service so that it would be co-responsible for it. It should be understood that a fine line of demarcation of health services exist that we are not here and now capable of crossing. Thus, in the place of irate petitioners we will have understanding allies.

\*\*\*

Professor Tadeusz Porebski, PZPR Central Committee member; and Professor Leszek Kryst, vice minister of health and social service affairs, participated in the conference discussions.

Wojciech Pawlowski was re-elected first secretary of the PZPR KU.

11899

CSO:2600/366

## URBAN-RURAL VALUE CONFLICT STUDIED

Warsaw TRYBUNA LUDU in Polish 19 Feb 87 p 4

[Article by [dlp]: "To Be And To Have"]

[Text] An issue of STUDIA SOCJOLOGICZNE (No 3 of 1986) includes an interesting article about Polish society and peasant society by Jacek Wasilewski of Jagiellonian University. The author shows that because of their demographic potential, peasants and rural society have had a very strong influence on the cultural and ideological face of modern Polish society by their "peasantization of the cities".

To substantiate this idea, J. Wasilewski writes about the collision between two life concepts. One is the intellectual concept of "being" which is characterized by a striving to base one's status on cultural rather than material values. The other and predominantly rural concept is that of "having".

"This confrontation took a caricaturish and degenerate form. The prewar intellectual respect for culture which was reinforced by the institutions of state became so entrenched that it was made part of our society's accepted values. Systems organized around other and especially the material values were "driven underground". Material self-enrichment as a supreme value, the accumulation of goods as a source of prestige and fascination with objects was considered a source of shame...A declared high regard for 'being' was popularized but was not converted on any large scale into everyday attitudes. The dualism of the system of values led to personality conflicts". The author states that this was indeed the situation until recently but has already become part of the past. Today, "the 'having' attitude has become dominant and openly propagates its values. However, elements of the 'being' attitude still continue to be revered in public declarations but no one takes these declarations seriously anymore".

"The responsibility for this state of affairs," writes J. Wasilewski, "lies with two types of phenomena. First of all, there is the peasant origin of most Poles. This class has preserved its deeply-established values (and has

its own allies in other classes such as the petite bourgeoisie) which have now become manifested in enriched and modified form. Second, this has also been brought about by the instability of our economic system which has, through a series of regular crises reinforced a functional orientation toward things...".

There is still one other problem posed by this article that is worth considering: "The second strong element in the peasant system of standards is religion...However, for me, it is quite clear that even in this case, a value clearly established on a social basis (dependency on nature, insecurity, an attitude of submission, lack of education, the social position of the clergy, etc.) has been transferred to society in general by the rural population and has 'exploded' in a new form and under contemporary conditions as a reaction against national frustration and social and economic destabilization".

Some of the author's remarks may be controversial but they do encourage the reader to consider the problem.

12261

CSO: 2600/483

## 'SQUATTER' INCIDENT REVIEWED, EXAMINED

Wroclaw GAZETA ROBOTNICZA in Polish 16 Feb 87 p 5

[Article by Marek Wilczek: "Squatters"]

[Text] The building on Dzialkowa 54 cannot be considered inhabitable despite the fact that the 5-member Dziubek family has been living there since May 1981 which is when they just moved in and became "squatters". They went to work at once on the old house and renovated two rooms by replastering walls, repairing floors and putting in sawdust-fueled stoves. They turned a real shanty into a completely normal house.

"In 1982, the collegium on misdemeanor affairs charged me a fine for taking over these two rooms. I understand that because people really cannot be allowed to do this but what choice did I have? I lived with my wife and two children and my own family on Borowska (8 persons in two small rooms) under really terrible conditions. On 23 June 1982, I notified the collegium that I was living on Dzialkowa but we did not receive an allotment. The whole time we were paying more than 900 zlotys a month for an apartment and garage. I received permission to raise hogs, part of which I sold to the state. We felt insecure because we were paying rent and had also been registered," says Jozef Dziubek.

Dagmara Dec, the director of the Department of Communal Management and Local Affairs of the Wroclaw Krzyki District Bureau, said: "In our neighborhood, there have been more than 100 squatter families since 1984 but now there are only 28. We understand that people do not always have a place to live but we must control such activities. People cannot be allowed to take over a building without permission. When a person receives an eviction notice, it is meaningless whether or not they are registered. With regard to rent, then everyone should pay it whether he has an allotment or not".

The Dziubeks moved into two upstairs rooms. The bottom floor of the house was empty and falling apart. There was no water upstairs and the family therefore partially renovated a downstairs room to make a kitchen where they could get



water. That was when the collegium again recommended that they be fined for taking over still another room.

"They kept telling us that the house was going to be demolished. A member of the Residential Service Region [ROM] on Cieplna 4 even came to tear out the ground floor windows and electrical wiring. That was supposed to be the start of demolition. For 6 years, no one bothered us anymore. No one told us to move out. It was only recently, on 15 January, during the worst frosts, that we received an eviction notice. We were supposed to be out by 2 February and move to 4 Galczyńskiego, apartment 1. I went to have a look at the new apartment and was shocked by what I saw. The walls were in a shambles, the floors were rotting, the plumbing did not work and it had an outhouse. How could we move into such a place in the middle of winter with an 18-month-old daughter?" Jozef Dziubek continues.

The Dziubeks' daughter spent autumn in a hospital with a throat illness which was diagnosed as asthma. The ROM officials on Cieplna 4 wrote to the Department of Communal Management and Local Affairs of the Wrocław Krzyki District Bureau that the apartment on Galczyńskiego was uninhabitable at that time but no one ever checked to see whether that was actually true. An eviction notice was written.

"We wanted to help the Dziubek family. They would have gotten an apartment and we would have ridded ourselves of another squatter. I thought that he would renovate the apartment and be satisfied. We really did act in good faith. Sooner or later, we will have to demolish the house on Działkowa. We decided to not evict the Dziubkows when it turned out that the house on Galczyńskiego was in such terrible condition," said Director Dagmara Dec.

I am not defending squatters. People who take over buildings should be evicted from them, especially when so many move into houses without an allocation. In the case of the Dziubeks, the local affairs department had 6 years to do something. I do not think that anyone was really planning to tear down the house on Działkowa in January, February or March. Even if they were going to demolish the house, would it not have been better to move the family out in the summer or early fall and better prepare the house on Galczyńskiego?

The real reason for the eviction was complaints about Jozef Dziubek in which it was stated that he was using the garage to illegally produce furniture and wainscoting, that he did not turn over any of the hogs he raised to the state and that he was renting out part of the house to other people. An investigation showed that none of these charges were true and only a few woodworking lathes were found.

The eviction notice is dated for 2 February and the Dziubeks still do not know whether it will be rescinded or not. They are living in a state of uncertainty.

12261

CSO: 2600/483

## SOCIOLOGICAL SURVEYS DEFENDED, MORE PLANNED

Warsaw RZECZPOSPOLITA in Polish 20 Feb 87 p 4

[Article by [MM]: "The Pollers Are Out -- a Sociological Portrait of Poles"]

[Text] They are the chroniclers of the present. Sociologists are everywhere that something socially significant is happening. Representatives of other sciences sometimes accuse them of superficial and obvious conclusions and a lack of distance from the events and processes they analyze. However, in spite of everything, this is a science that is closer to life than any other.

What are sociologists doing this year?

The Polish Academy of Sciences' Institute of Philosophy and Sociology in Warsaw is the largest institute for comprehensive sociological research in Poland. It employs hundred of workers and an army of surveyors. The most controversy is aroused by their analyses and syntheses on various areas of everyday life which give a portrait of our attitudes, opinions, standard of living, needs and expectations.

"This year," says Docent Dr. Piotr Ploszajski, deputy director of the institute, "we want to conduct studies that will allow us to completely characterize the structure of Polish society in the second half of the 1980's. Aside from aspects that have always long been the object of study of Polish sociologists, this will also include phenomena and processes that have not been systematically examined either because they have only recently emerged in our society or because they were intentionally ignored for various reasons.

"These will probably be representative studies since our pollers know on the doors of only about 10,000 randomly chosen Polish adults. Even in the United States (if we compare their population with ours), such an extensive survey is a rarity. The diversity of planned questions is enormous and concern living and working conditions, participation in the second economy and many nonmonetary forms of income, participation in culture, social prestige, the "living situation", assessment of one's own social position, one's perception

of how fairly goods are distributed, the receiving of social privileges, political attitudes, social contacts and means of self-help".

Sociologists from the Institute of Philosophy and Sociology have acknowledged that the present and traditional division of society into the working class, white-collar class (intelligentsia) and peasantry is no longer sufficient for comprehensive characterization of the social structure of our country. That is why an effort is now being made to describe these phenomena in economic, cultural, political and ideological terms.

What factors determine our professional barriers? To what extent have factors such as environment, education and participation in public institutions and organizations helped people achieve a high social position today? To put it more simply, what promotes and what hinders professional and social success? These questions were examined in the research of Jagiellonian University's Institute of Sociology. But regardless of the fact that sociologists are said to be photographers of the present, they are also interested in the future and past.

"In a scientific manner," said Docent Dr. Andrzej Paluch, vice-director of the Institute of Sociology at Jagiellonian University, "we wanted to see what people associate with the future on a micro- and macro-scale. In other words, we wanted to find out how we view our country's prospects, those of various social groups and our own as well as what we must do to fulfill our visions. They say that society is predominantly pessimistic. Is that really true? We hope to find the answer to that in the responses to our survey".

And the past? The sociologists are also looking at history which they see not only as an actual and objective course of events but also as the average Pole's image of the past, his reflections and the way in which he evaluates past events. History is also examined in terms of how it has influenced specific social processes.

Sociologists therefore not only examine our private lives but also public affairs. For many years now, the Institute of Sociology at Warsaw University has conducted a series of studies on "The Role of government and the public aktiv in stimulating special and economic growth".

The first studies which were started 22 years ago as part of an international program were compared with results obtained by sociologists in the United States, Yugoslavia and India.

The authors relied on analysis of statistical materials, documents, interviews with officials and the public and observations of political life. The researchers included not only sociologists but also economists and political scientists from all over the country. All of this work was done in cooperation with foreign sociological institutes.

"These studies have given us much interesting information," said Professor Jerzy Wiatr of Warsaw University. "We know, for example, that there are considerable differences in the development of specific communities. We have also found that the greatest influence on these differences is exerted by the nature of the local leaders and age is the decisive factor. Wherever younger and faster people are the leaders, the results are better".

Too much human energy is still being wasted. Studies have shown that the increase in authority demanded by regional leaders has still not kept pace with needs and expectations. After all, the local governments' list of problems to be resolved differs from that of the residents.

Such differences in the evaluation of local problems were at their greatest in the 1970's but have considerably diminished by now. The public attitude toward local government will be the subject of nationwide studies conducted this year.

12261

CSO: 2600/483



## INCREASED DRINKING BY TEENS, CHILDREN NOTED

Warsaw RZECZPOSPOLITA in Polish 6 Jan 87 p 3

[Article by I. Witanska: "Youth and Even Children -- Why Do They Drink?"]

[Text] I am holding a little brochure published this year by the Public Anti-Alcohol Committee. It has the meaningful and highly alarming title of "The Alcoholization of Children and Youth". We are already much too accustomed to drinking and alcohol abuse by adults but when we are told that children and teenagers are drinking now, that is enough to alarm anyone.

The pages of the brochure present a sad and dramatic image of 10-year-old children that already know the taste of alcohol and secondary school pupils for whom it is a normal custom to drink wine, vodka and beer.

Krystyna Kustra, the author of this booklet, has gathered the results of studies on juvenile alcohol use that have been conducted throughout the entire postwar period by numerous groups and scientific institutions. The subject of these studies was girls and boys of various ages from various regions of the country. What were the results?

In the most general terms, the studies showed that girls drink less and start drinking later than the boys. Boys are already drinking beer as soon as they are 11, wine at the age of 14 and vodka by the time they are 17. Even the consumption of such an innocuous beverage as beer can have fatal results at this age. Boys that start drinking beer will later more often move on to wine or vodka than those who have not yet tried beer.

How does a child get into his first bottle? Most often, he gets it from his parents, less so, from an older relative and finally, from one of his friends. Children from alcoholic families also drink more as well as more often. In a home in which a bottle is often found on the table, it is almost certain that the children will follow their parents' example. Why do young people drink? Most often, it is "for more fun" but also because they want to impress others or prove their maturity (as if alcohol were a sign of maturity!). Very rarely

does a child drink to improve his self-esteem or because he likes the taste (because children do not like the taste but just get used to it from custom).

The results of following such patterns of behavior are regrettable and socially harmful. As a rule, pupils that drink get worse grades than non-drinkers. They are also the ones that most often smoke and are also most often responsible for misdemeanors or even crimes such as theft, vandalism, fighting, etc. These pupils are very difficult for their teachers to handle and therefore often receive grades that are inappropriate to their behavior. Studies have also shown a connection between drinking and truancy: drinking pupils run away from home four times more often than those that do not drink.

I think that these examples warn us clearly enough of the danger of this problem. The author, commenting on the subject of her article, stresses the need for research to concentrate on juvenile alcoholism, all the more so as it seems to be on the rise. This problem is all the more serious when one considers the fact that, as K. Kustra writes "the prospects that the future will depend on the behavior and attitudes of this age group" as well as "the special danger that juvenile alcoholism poses due to the harmful effects of alcohol on a young growing organism". Since alcohol impairs the psychological and social development of this age group, one is justified in saying that "each use of alcohol by a child or young person is an abuse of that substance".

For my own part, I would like to add that without waiting for the results of the next study or survey to come out, we must start doing everything possible to prevent children and youth from drinking any form of alcohol. The title of our current 4-year-old anti-alcohol law contains words that refer not only to preventing alcoholism but also to raising children in sobriety.

However, legal regulation alone is not enough because we also need the properly directed actions of parents, teachers, youth organizations and clubs, etc. Above all, children need good examples of adult behavior. The words "sober upbringing" are not enough. We must also make a real effort to raise our children in a spirit of sobriety.

12261

CSO: 2600/483

## TV PROGRAM PHONE-IN ON LEGAL ISSUES

Warsaw RZECZPOSPOLITA in Polish 26 Jan 87 pp 1,2

[Article: "Closer to the Law, Closer to the Citizen : Law and Order on TV"]

[Text] (From our own sources) The first round of questions came before noon. On Saturday, 24 January, between 900 and 1300 hours, all voivodship courts, public prosecutors' offices, and internal affairs bureaus received telephone calls at their desks. The Ministry of Justice, the Prosecutor General, the Ministry of Internal Affairs, and the Main Command of the Citizens' Militia received phonegrams from all over the country with hundreds of citizens' questions and comments on a broad range of legal problems.

Many of the telephone callers were people who were seeking help because they had either had a run in with the law themselves or were close to someone who had. They asked about the chances of release from temporary arrest, being given a more lenient sentence, or having their period in jail shortened. The most shocking was a call from a drug addict's father who was helpless in the face of his son's ever greater addiction.

There were also appeals for the prosecutor's assistance in a protracted conflict with the administration, for intervention in a marital conflict, and for the enforced payment of alimony for children. Each of the matters that seemed normal will be looked into, and some of them will be put into official channels right away.

In many of the calls the citizens pointed out examples of evil and violations of law they observed daily. They talked about drunkenness and also about waste in certain places of employment, about hang-outs for drunks, coal speculation in storehouses, and destruction of public property. They asked why the efforts to combat social pathology did not show greater results. They were interested in the work of investigative and prosecution bodies and about the directions of penal policy, suggesting their own methods. Sometimes the suggestions were extreme, like the idea of setting up municipal work teams for people leading a parasitic way of life. Another large group of questions and comments concerned passport policy.

All these problems were repeated in the evening in the next telephone call-in. These calls were addressed directly to people taking part in the Czas program:

Deputy Minister of Justice Tadeusz Skora, Deputy Prosecutor General Hipolit Starszak, Deputy Minister of Internal Affairs Brig Gen Zbigniew Pudysz, and Deputy Commander in Chief of the Citizens Militia Brig Gen Zenon Trzcinski. The four telephones never stopped ringing. In order to receive as many questions and comments as possible, the program's guests gave some of the television viewers calling in with more complicated individual problems their direct office phone numbers and invited them to phone on Monday.

"I am encouraged by the fact that the program evoked such tremendous interest," Deputy Minister Zbigniew Pudysz said during a short break. "Many of the questions demonstrate citizens' genuine concern for effective application of the law and show their commitment to resolving difficult social problems in the realm of pathology.

"The conversations with television viewers gave us considerable information about the good will to cooperate with prosecutors. People are interested in seeing that it is peaceful and safe where they live. This is the first live impression Prosecutor Hipolit Starszak conveyed to the RZECZPOSPOLITA reporter, while Starszak was taking telephone calls. He says that he treats each individual issue presented as an important sign.

Deputy Minister Tadeusz Skora sees the value in this program in encouraging citizens to have their say about the way the justice system operates. How does he assess the level of knowledge concerning the law and legal awareness on the basis of his telephone conversations? "Not the best," he answers, "but this fact shows at the same time that such programs are very much needed."

For Gen Zenon Trzcinski, who was happily surprised by the great social response to the program, the most important thing is what the consequences will be. What will citizens' reactions to evil be in practice? "The battle against crime and social pathology," he emphasized, "calls for consistent work and good organization. It can be won only with the help of society."

10790

CSO: 2600/472



## CHANGING ATTITUDE TOWARD PRIVATE WEALTH

Warsaw ZYCIE WARSZAWY in Polish 20 Feb 87 p 3

[Letter by Stanislaw Kondratowicz published 10 Feb in GAZETA ROBOTNICZA: "From the Street Car to a BMW?"]

[Text] "In the course of 30 or perhaps 35 years, wealth in our country has become something shameful, something to hide, at least not something ostentatious, mainly because there were few people who were really wealthy. There were many reasons for this, such as the poverty which the war brought on society and the enormous effort of two generations to rebuild and develop the country as a whole rather than private fortunes.

One can give various names to the processes of the structuring of social relations during the past period, call them "rustic" socialism, equating socialism with poverty as bureaucratic egalitarianism, but it is difficult not to admit that this had strong support in the attitudes and convictions of most of society.

For some time, however, we have been noting a certain trend using the argumentation of critics of the bureaucratic practice of reducing the pay gap for work in the attempt actually to compromise the very principle of sharing in the distribution of national income according to the amount and quality of work done. Another principle is being set up, that of distribution according to the amount of capital held and according to "relationships," in the realm of one part of society, and distribution according to the current prices of labor resources, which would include only working people.

To put it more simply, along with the crisis, and because of the implementation of the economic reform, the processes of social differentiation and stratification must become stronger. What is more, the differences in wages should be greater and clearer than in the past, rewarding good employees and paying less to the bad employees or eliminating them from production altogether.

Nonetheless, we must realize that this is not a single process of social differentiation. In a socialized system, even wages which are ten or 20 times the minimum wages would not make it possible to turn the amount saved into

luxury or private business, but income in keeping with the amount of capital deposited would.

As the result of the faulty disparity between the official dollar exchange rate and the rate on the black market, whole groups have been created which have riches and luxury within reach without their entering into any production or commercial activity. After obtaining moderate or even very low earnings in dollars in the West for a certain period of time and bringing them back into the country to exchange them at the free-market rate, they take their place among the elite in riches and luxury.

These processes are inevitable under current conditions. It is also becoming increasingly urgent to undertake a dialogue with society on the subject of social justice. I would make the initial condition to this dialogue the demand that we not base it on mystification, on the lie that by honestly and solidly working as a hired worker and consistently saving, one can someday transfer from the street-car to a BMW."

10790

CSO: 2600/471

## BRIEFS

**SINGLE-PARENT STATISTICS NOTED--**"There are a half million single-parent families living among us, and often unfortunately next to us. The most recent information on this subject comes from GUS research. The first conclusion is that we are approaching poverty. A single head of household is usually a mother (fully 91 percent). One out of every three has two children to support, and one out of every seven, three or more. Seventy-seven percent of single mothers hold jobs, and they often also take on additional work. The lone struggle against fate often causes them to labor beyond their strength. More than 66 percent of single-parent families fall below 7,000 zlotys per person per month. The children from these families usually do not do so well in school (7.7 percent have repeated a grade) and do not stay as long in school. They simply have to become independent and stand on their own feet sooner. Nearly 4 percent of children from single-parent families by age 14-15 years get a job, usually in private workplaces, while nearly one out of every five do so by age 16-17." [Letter by Jan Skalny from KURIER SZCZECINSKI, 2 Jan: "One Plus One" [Text] [Warsaw ZYCIE WARSZAWY in Polish 16 Jan 87 p 3] 10790

**ALCOHOL-RELATED CRIMES LISTED--**In 1986 the terrible monopoly vodkas called "Vistula" and "Baltic" disappeared from the stores, which does not in any way mean that the ones that are left, like "Stolowa," are delicacies. This year the "Polmos" assortment of products will not decline. Even two new types of straight vodka will appear -- they do not have names yet -- with reduced alcohol (28 percent). The time seems to be coming when low-proof alcohol will predominate: cocktails, aperitifs, creams, and liqueurs. This fact should be welcomed, but we should doubt that we will suddenly reject our traditional bent and shift from the "straight stuff" to weak liqueurs. After all, we are drinking more and more, becoming dead drunk. We are losing our reason through alcohol, becoming like children. Here are just a few facts gathered from a week in January: 30-year old Teresa D. of Lodz, mother of two children, who abuses alcohol, killed her neighbor with a knife, while under the influence, of course. Alojzy K., an overnight millionaire from Chrzanow (he won 1.5 million zlotys in Toto-Lotka), during a party with friends that turned into a general brawl, became so upset that he died in the hospital. In Gdynia a man was killed who refused to contribute to the next bottle. In Lubaczow, 35-year old Edmund D. poured so much wine down the 11-year old (!) son of his neighbor that it was only through heroic efforts that the child was revived. The worst thing is that these facts have already ceased to scare anyone, that they have

become "normal" in our life. The same thing is true of the bliss-producing toast: "Bottoms up!", which later leads to atrocities and barbarity. [Text] [Poznan WPROST in Polish No 6, 8 Feb 87 p 2] 10790

CHURCH ANTI-ALCOHOL CAMPAIGN NOTED--What were the results of the Church's drive for people to exercise restraint in the consumption of alcohol last August? This was a recent question asked in a poll conducted by the Public Opinion Research Center. One out of every three persons responding (35.7 percent) said that this consumption had declined during that time in his immediate environment, and one out of every four (27.5 percent) noticed this phenomenon in the place where he resided. Part of those responding (up to 45 percent) noticed no difference in the consumption of alcohol during August from that of previous months. [Text] [Poznan WPROST in Polish No 6, 8 Feb 87 p 2] 10790

CSO:2600/471

END



**END OF**

**FICHE**

**DATE FILMED**

20 July 1987